

VILLAGE OF WHEELING, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2006

Prepared by Finance Department

Michael B. Mondschain
Director of Finance
and
Administrative Services

Ilana Bromber
Assistant Director of Finance

VILLAGE OF WHEELING, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
List of Principal Officials	i
Organization Chart	ii
Certificate of Achievement for Excellence in Financial Reporting	iii
Letter of Transmittal from the Village Manager and Director of Finance	iv-xi
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT.....	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-13
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	3
Statement of Activities.....	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet	6
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Assets	7
Statement of Revenues, Expenditures, and Changes in Fund Balances	8
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	9
Proprietary Funds	
Statement of Net Assets	10-11
Statement of Revenues, Expenses, and Changes in Net Assets	12
Statement of Cash Flows	13-14

VILLAGE OF WHEELING, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Fiduciary Funds

Statement of Fiduciary Net Assets	15
Statement of Changes in Fiduciary Net Assets.....	16
Notes to Financial Statements.....	17-55

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	56
Schedule of Funding Progress	
Illinois Municipal Retirement Fund	57
Police Pension Fund	58
Firefighters' Pension Fund	59
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	60
Police Pension Fund	61
Firefighters' Pension Fund	62
Notes to Required Supplementary Information	63

COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

Balance Sheet - General Fund	64
Schedule of Revenues - Budget and Actual - General Fund	65-67
Schedule of Expenditures - Budget and Actual - General Fund	68
Schedule of Detailed Expenditures - Budget and Actual - General Fund	69-84
Balance Sheet - Crossroads Redevelopment Area Fund	85

VILLAGE OF WHEELING, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES (Continued)

MAJOR GOVERNMENTAL FUNDS (Continued)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Crossroads Redevelopment Area Fund	86
Balance Sheet - North Milwaukee/Lake Cook Redevelopment Area Fund.....	87
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - North Milwaukee/Lake Cook Redevelopment Area Fund.....	88

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	89-90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	91-92
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Motor Fuel Tax Fund.....	93
Emergency Telephone System Fund	94
Schedule of Expenditures - Budget and Actual Emergency Telephone System Fund	95
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Grant Fund	96
Debt Service Fund	97
South Milwaukee Redevelopment Area Fund	98
Town Center TIF Fund	99
Capital Equipment Replacement Fund	100
Capital Projects Fund.....	101

MAJOR PROPRIETARY FUNDS

Statement of Net Assets - Waterworks and Sewerage Fund	102
Schedule of Revenues, Expenses, and Changes in Net Assets - by Subfund - Budget and Actual - Waterworks and Sewerage Fund.....	103-104
Schedule of Detailed Expenditures - Budget and Actual - Waterworks and Sewerage Fund	105-108
Schedule of Detailed Expenditures - Budget and Actual - Waterworks and Sewerage Capital Fund.....	109
Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual - Liability Insurance Fund.....	110

VILLAGE OF WHEELING, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES (Continued)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Combining Statement of Net Assets.....	111
Combining Statement of Changes in Plan Net Assets.....	112

SUPPLEMENTAL FINANCIAL INFORMATION

Schedule of Long-Term Debt Requirements	
General Obligation Bond Series 1999A	113
General Obligation Bond Series 1999B.....	114
General Obligation Bond Series 2001	115
General Obligation Bond Series 2003	116
General Obligation Bond Series 2003A	117
General Obligation Bond Series 2003B.....	118
General Obligation Bond Series 2004A	119
General Obligation Sales Tax Bond Series 2005	120
Tax Increment Revenue Bond Series 2005	121
Schedule of Insurance in Force.....	122

STATISTICAL SECTION

Financial Trends

Net Assets by Component	123
Change in Net Assets	124-125
Fund Balances of Governmental Funds	126
Changes in Fund Balances of Governmental Funds	127

Revenue Capacity

Assessed Value and Actual Value of Taxable Property	128
Direct and Overlapping Property Tax Rates	129
Principal Property Taxpayers	130
Property Tax Levies and Collections	131
Municipal Sales Tax Receipts by Category	132
Direct and Overlapping Sales Tax Rates	133

VILLAGE OF WHEELING, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION (Continued)	
Debt Capacity	
Ratios of Outstanding Debt by Type.....	134
Ratios of General Bonded Debt Outstanding.....	135
Schedule of Legal Debt Margin	136
Direct and Overlapping Governmental Activities Debt	137
Pledged-Revenue Coverage	138
Demographic and Economic Information	
Demographic and Economic Information.....	139
Operating Information	
Principal Employers	140
Full-Time Equivalent Employees.....	141

INTRODUCTORY SECTION

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2006

ELECTED OFFICIALS

Village President	Greg Klatecki
Village Trustee	Judy Abruscato
Village Trustee	Robert Heer
Village Trustee	Patrick Horcher
Village Trustee	Kenneth Brady
Village Trustee	Michael Horcher
Village Trustee	Dean Argiris
Village Clerk	Elaine E. Simpson

ADMINISTRATIVE

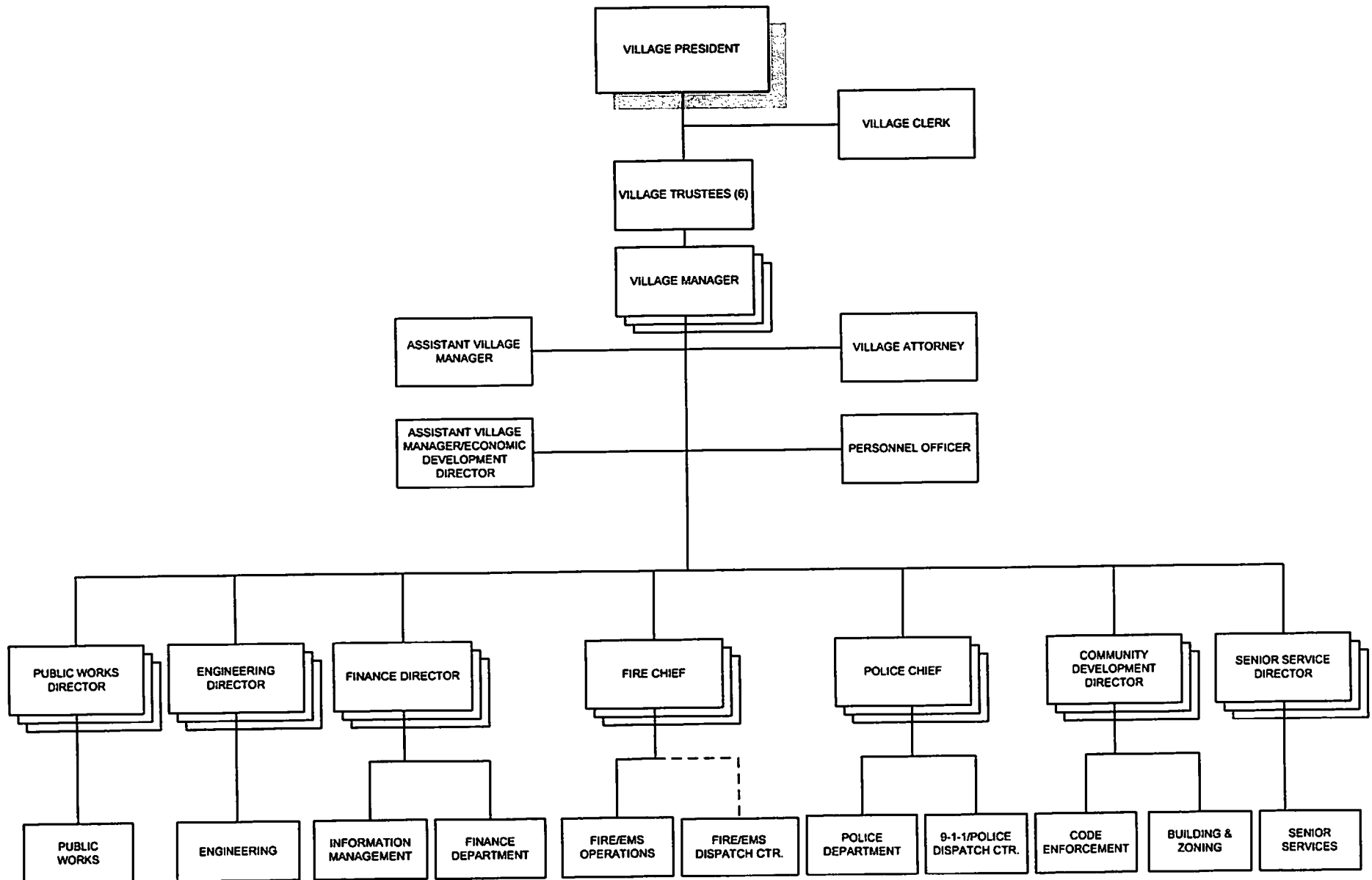
Village Manager	J. Mark Rooney
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FINANCE DEPARTMENT

Director of Finance and Administrative Services	Michael B. Mondschain
Assistant Director of Finance	Ilana Bromber

VILLAGE OF WHEELING

WHEELING, ILLINOIS



JANUARY 2007
KSM

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Wheeling
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



255 West Dundee Road • Wheeling, Illinois 60090
Phone: (847) 459-2600 • Fax: (847) 459-9692

June 30, 2007

To the Honorable Village President, Village Clerk, Trustees, and Residents of the Village of Wheeling:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2006.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP, has issued an unqualified ("clean") opinion on the Village of Wheeling's financial statements for the year ended on December 31, 2006. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Village of Wheeling

The Village provides a full range of services. These services include:

- general administration
- finance administration and services
- emergency medical services

- police protection
- firefighting and fire prevention services
- design, construction and maintenance of roads, streets and infrastructure
- garbage collection
- community and economic development and planning
- senior citizen services
- water distribution
- storm and sanitary sewer system maintenance and repair
- fleet services garage vehicle maintenance

The Village of Wheeling is located in the Chicago metropolitan area just 27 miles northwest of downtown Chicago. It currently occupies 8.6 square miles and serves a population of 38,555. Wheeling has easy access to both air and ground transportation providing several convenient ways to get anywhere in the Chicago metropolitan area or the world. Ground transportation can be accessed through the Tri-State Tollway (I-294), the METRA north central passenger line, or PACE, the suburban bus division of the Regional Transportation Authority. Interstate 294 runs along the eastern edge of the Village, connecting Wheeling with Chicago (22 miles) and Milwaukee (70 miles). Just two miles to the west is Route 53, a freeway that leads to I-290 and I-355, offering easy access to the South and West suburbs, Rockford and beyond. Air transportation is available through O'Hare International Airport, located just seven miles from Wheeling, and Chicago Executive Airport, situated partly in the Village of Wheeling and the City of Prospect Heights. Wheeling and Prospect Height's municipal airport is the third busiest in Illinois and is home to many corporate jets and private planes.

In addition to an excellent transportation network, Wheeling is an outstanding community in which to live and work. The Village has an ideal mix of residential and multi-family housing, excellent schools and park district facilities, and some of the Chicago area's best known restaurants. Milwaukee Avenue is the site of Wheeling's famous "Restaurant Row", home to restaurants featuring French, Italian, Japanese, Chinese and American cuisine. Six major hospitals are nearby, giving residents several options to meet their medical needs. Wheeling's schools have consistently exceeded the state averages for reading and math skills. In addition to its primary and secondary schools, Village residents can take advantage of graduate level courses in business and education taught at National Louis University's campus in Wheeling. William Rainey Harper College – a leading 2-year community college – also serves Wheeling, offering certificate and associate degree programs as well as college transfer programs.

All of these amenities make Wheeling an attractive community as evidenced by a high rate of growth in both residential and commercial development. In 2006, work

continued on a major residential development in the Village's Lake Cook/Milwaukee Road Tax Increment Financing (TIF) District: Prairie Park, a five building, 306 unit condominium development, features high end housing units (\$300,000 - \$400,000) that will serve as a nice addition to Wheeling's existing mix of moderate and lower income homes. In addition to residential development, Wheeling has experienced significant growth in the commercial sector as well.

In 2005, the Village entered into an agreement with Mid-America Development to build a \$125 million project including a hotel, restaurants and retail shops on a site located near the corner of Lake Cook Road and Milwaukee Avenue in Wheeling. The site previously housed horse riding stables, a vacant bread outlet store and a used car business. The development agreement called for the Village to provide \$23.0 million in TIF funds to help pay for some of the extraordinary costs of the project. By selling \$24.140 million in TIF Revenue (\$19.0 million) and General Obligation (\$5.14 million) bonds, the Village helped pay for land acquisition, environmental remediation and infrastructure costs related to the project. According to estimates provided by the Village's financial consultant, the project is expected to generate more than \$100 million over the next 22 years in property, sales, hotel/motel, food and beverage and telecommunications tax.

In October 2006, the Westin Chicago North Shore Hotel was completed and opened for business. The four star hotel is 15 stories high and includes 411 rooms, a 16,000 square foot banquet facility, 40,000 square foot convention center, and four restaurants including Osteria di Tramonto which serves Italian food, Gale's Coffee Bar, with breakfast and lunch items to go; Tramonto's Steak & Seafood, an upscale dinner-only restaurant and RT lounge, featuring sushi, oysters, shrimp and similar items. The restaurants and coffee bar are led by two of Chicago's most celebrated chefs - culinary partners Rick Tramonto and Gale Gand, who are well known for their work at the acclaimed restaurant Tru located in the City of Chicago.

The site also includes additional restaurants and retail stores located on the hotel's out-lots. By the end of 2006, work was nearly complete on another restaurant called Claim Jumper, which features an 1849 Gold Rush atmosphere and was named by Consumer Reports as one of the top chain restaurants in the country.

In addition to the Prairie Park and Westin developments, work was nearly completed in 2006 on a development near the corner of Weiland and Lake Cook Roads. The project includes a Staples office supply store, a Fifth Third Bank branch and several stores and restaurants including TGI Friday's, Chipotle Mexican Grill, Potbelly Sandwich Works and Verizon Wireless cellular phone sales. The project is being built by the same developer responsible for the Westin hotel development.

The Village of Wheeling, incorporated in 1894, is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which it

has done from time to time. The Village became a home rule unit by referendum on April 19, 1977, which gives it additional powers to tax and regulate not specifically granted by the Illinois constitution. Wheeling operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing board (Board) consisting of the president, village clerk and six trustees all elected on a non-partisan basis. The Board appoints the government's manager, who it turn appoints the heads of the various departments. Board members serve four-year terms, with three trustees elected every two years. All members of the Board are elected at large.

Financial Planning & Control:

The Village Board is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The village manager may transfer resources between departments , programs or line items without Board approval. Transfers that increase or decrease the total fund budget require special approval from the Village Board.

Activities of the General Fund, Special Revenue Funds, Debt Service Funds, certain Capital Project Funds, Enterprise Funds, Internal Service Funds, and Pension Funds are included in the annual operational budget. Project length financial plans are prepared and are published in a separate Capital Improvement Plan (CIP). The Village also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances lapse at year end; however, encumbrances are generally re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

Local Economy

Wheeling's reputation as a dynamic business and industrial center continues to grow. It is home to over 900 business, commercial and retail establishments, making it one of the largest business-industrial centers in Chicago's northwest suburbs. It boasts nearly 13 million square feet of industrial space and several expansive industrial parks offering room for companies to grow. More than 20,000 jobs are generated by Wheeling-based businesses attesting to its economic strength. Of those jobs, 45% are in the manufacturing sector and 25% are in the wholesale and retail trades.

Wheeling's unemployment rate has remained relatively stable over the last 10 years. Between 1996 and 2005, the average unemployment rate was 4.01% with a

high of 5.8% and a low of 2.4%. No significant decline in jobs is anticipated in the near future due to the diversity of the economy.

In 2006, the Village added 1,000 jobs when the Westin Chicago North Shore hotel opened for business.

Long-Term Financial Planning

In 2006, revenues and other financing sources exceeded expenditures and other financing uses by \$2,031,462. The increase in fund balance was due primarily to significant increases in Sales and Use Tax revenue. The Village received approximately \$1.0 million in unanticipated Use Tax revenue during the year related to two large transactions that are not expected to reoccur. In addition, State Income Tax and Sales Tax increased much more than had been the trend for the last few years. Between calendar years 2002 and 2005, sales tax revenue actually declined by .06% each year on average; however, in 2006, sales tax (excluding the one-time Use Tax transactions mentioned previously) was up more than \$500,000 (10%) compared to 2005.

Similarly, Income Tax revenue increased over 18% (or \$472,780) compared to 2005. This was due in large part to a special census the Village conducted in 2005. As a result of the census, the Village's population increased from 34,496 to 38,555. Income Tax is remitted to municipalities based on population and the higher numbers were reflected in the remittances the Village received beginning in May 2006. If not for the change in population, Income Tax revenue would have increased 9.72% or \$250,188.

Finally, the Village received nearly \$400,000 in non-reoccurring permit revenue related to construction of the Westin hotel.

Expenditures in the General Fund were consistent with the budget and reflected an increase of 5.16% compared to 2005. Most of the increase is attributable to expenditures for salaries and benefits.

Fiscal Year 2006 represents the first time in three years the General Fund ended the year with a surplus. This trend is expected to continue in 2007 due to increases in revenue resulting from economic development activities and the Village's share of State revenue. As a result of the increase in fund balance, the General Fund ended the year with an undesignated and unreserved balance of \$15,452,128 representing 56% of FY 2006 annual operating expenditures, well above the Board's 25% fund balance policy.

The Village anticipates increases in sales and property tax revenue in future years as a result of the Board's strategic plan to redevelop blighted or flood prone properties. In the last few years, the Village has acquired several properties in the Village's four TIF Districts and sold them to developers. Some of these developments such

as the Westin Hotel are beginning to generate new sales and property tax revenue now, others like the Town Center will do so once they are completed.

In 2003, the Village Board approved the creation of a fourth TIF district called the Town Center TIF. The Town Center encompasses an area around the railroad tracks on Dundee Avenue near its intersection with Wheeling Road. The properties near the intersection of these two major arterials have suffered from chronic flooding in the past, but with the help of tax increment financing, are ideal for redevelopment. Working with METRA, the Village conducted a regional space planning study to redevelop the properties surrounding the train station. The goal is to entice developers to acquire property and build a mix of multi-family homes and retail development. METRA recently installed a second set of tracks which has increased the number of commuter trains going to and coming from Chicago and that will make the properties surrounding the station ideal for redevelopment. In 2006, several developers submitted proposals for developments in the Town Center TIF and the Village expects some of these projects to be approved in the near future.

Major Initiatives

The Village Manager's Office coordinated a July 4th event that drew over 20,000 attendees, one of the most successful events in recent history.

The Finance Department implemented a purchasing card program which is designed to streamline the procurement process and allow departments to acquire needed goods and services more efficiently.

The Finance Department hired a purchasing consultant to review the organization's spending pattern and recommend less costly vendors. The review process resulted in annual savings of over \$100,000.

The Community Development Department issued building permits for the construction of 5 single family homes, 1 multi-family building (59 units), 10 commercial buildings, 2 industrial buildings and 1 institutional building.

Preliminary plans for construction of a new Village Hall building were prepared and reviewed by the Village Board. The Finance Department presented a financial plan designed to fund the project as well as the construction of two new fire stations and expansion of the existing public works facility as well.

The Building Division of the Public Works Department responded to over 1,700 work order requests related to the maintenance and repair of Village buildings.

The Police Department completed a project to implement a Computer Aided Dispatch, Records Management System and Mobile integrated computer system.

The Fire Department responded to nearly 3,800 emergency calls for service, an increase of 0.3% over the previous year. Nearly 2,400 of these calls were for emergency medical service. There were 127 calls for fire related incidents and over 720 calls for false alarms.

The Engineering Department issued 256 permits, consisting of everything from driveways to the construction of the Westin Hotel property. Department personnel performed over 1,000 inspections during the year.

The Senior Services Department implemented over 12 new programs in the areas of recreation, education and social services.

In addition to these accomplishments, the Village Board committed over \$3.7 million to maintaining and improving Wheeling's excellent infrastructure. The following is a summary of major capital improvement projects and the funds expended on each:

Facility Improvements

❖ Design - New Village Hall Building	\$572,033
❖ Design – New Village Hall Campus Road	\$260,242

Streetscape Improvements

❖ Dundee Road Uniform Fence	\$436,149
❖ Entryway Signs	\$49,853
❖ Tree Planting	\$27,009
❖ Brick Paver Maintenance	\$86,684

Sidewalk Improvements

❖ 2006 Public Sidewalk Construction	\$146,942
❖ 2006 Sidewalk Repair & Replacement	\$151,980

Water & Sewer System Improvements

❖ 2006 Water Main Replacement Program	\$1,604,813
❖ Sanitary Sewer Improvements	\$183,287
❖ Cornell Avenue Dam Rehabilitation	\$175,708
❖ Wolf Road Sewer Replacement	\$71,091

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended

December 31, 2005. This was the twenty-sixth (26th) consecutive year the Village received this prestigious award. To be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Village also received the GFOA's Award for Distinguished Budget Presentation for its annual operating budget dated January 1, 2006. This marked the twentieth (20th) consecutive year the Village has received this recognition. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document must be judged to be proficient in several categories including policy documentation, financial planning, communication and organization.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Particular recognition should be given to Ilana Bromber, Assistant Director of Finance for her hard work and dedication in completing this report. In addition, the Village wishes to recognize the staff of the firm of Sikich LLP, the Village auditors, and in particular Brian LeFevre, whose professionalism and cooperation are sincerely appreciated by the Village and in particular by the staff of the Finance Department. The tireless dedication of the staff of Sikich LLP, in cooperation with the Village staff, provided a cooperative working relationship for the Village of Wheeling.

In closing, we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Respectfully submitted,



J. Mark Rooney
Village Manager



Michael B. Mondschain
Finance Director

FINANCIAL SECTION



998 Corporate Boulevard • Aurora, IL 60502

*Members of American Institute of
Certified Public Accountants &
Illinois CPA Society*

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Board of Trustees
Village of Wheeling, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois as of and for the year ended December 31, 2006, which collectively comprise the Village's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village's nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2006, as listed in the table of contents. These financial statements are the responsibility of the Village of Wheeling, Illinois' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wheeling, Illinois as of December 31, 2006, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service, and fiduciary fund of the Village of Wheeling, Illinois as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and the required supplementary information listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements taken as a whole and on the combining and individual fund financial statements that collectively comprise the Village of Wheeling, Illinois' basic financial statements. The financial information listed as schedules and supplemental data in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Village of Wheeling, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the basic, combining and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic, combining and individual fund financial statements taken as a whole.

We did not audit the information contained in the introductory and statistical sections. Accordingly, we do not express an opinion thereon.

Schuch LLP

Aurora, Illinois
March 30, 2007

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

Our discussion and analysis of the Village of Wheeling (the Village) financial performance provides an overview and analysis of the Village's financial activities for the year ended December 31, 2006. Please read it in conjunction with the letter of transmittal on page iv, and the Village's financial statements, which begin on page 3 of this report.

FINANCIAL HIGHLIGHTS

- The Village's net assets increased by \$7.02 million to \$144.05 million as a result of this year's operations.
- The governmental activities net assets increased by \$2.45 million primarily due to additional property, sales and income tax revenue.
- The business-type activities net assets increased by \$4.57 million. This increase is due to water and sewer sales revenue and net income from joint venture – in the Chicago Executive Airport.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$40,237,414.
- At the end of the current fiscal year, the Village's General Fund reported an increase in revenues and other financing sources over expenditures and other financial uses of \$2,031,462. Unreserved, undesignated fund balance in the General Fund totaled \$15,452,128 on December 31, 2006, representing 60% of the total General Fund expenditures.
- There was no new debt issued this year. The Villages total outstanding debt from the general governmental activities was \$18,415,475 and \$2,830,000 from business-type activities. No payments were made on the \$19,000,000 tax increment revenue bonds.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

In the past, the primary focus of local government financial statements has been summarized by fund type information on a current financial resource basis. This approach has been modified and starting with the fiscal period ended December 31, 2003, the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. The new financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government to government) and enhance the Village's accountability.

Government-wide Financial Statements

The government-wide financial statements (see pages 3-5) are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The Statement of Net Assets (see page 3) presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other non-financial factors, such as changes in the Village's property tax base and the condition of the Village's roads, is needed to assess the overall health of the Village.

The Statement of Activities (see pages 4-5) presents information showing how the government's net assets changed during the most recent fiscal year and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety and highways and streets. The business-type activities of the Village include waterworks and sewerage system. The Village also reports its share of the Chicago Executive Airport as an enterprise fund.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds (see pages 6-9) are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Crossroads Redevelopment Area and North Milwaukee/Lake Cook Redevelopment Area. All other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Major Governmental Funds:

General
Crossroads Redevelopment Area
North Milwaukee/Lake Cook Redevelopment Area

Nonmajor Governmental Funds:

Motor Fuel Tax
Emergency Telephone System
Grant Fund
Debt Service
South Milwaukee Redevelopment Area
Town Center TIF Fund
Capital Equipment Replacement
Capital Projects

A budgetary comparison statement has been provided for the major funds to demonstrate compliance with this budget. The Village had several budget amendments for the fiscal period ended December 31, 2006 that are reflected in this report.

Proprietary Funds. The Village maintains two different types of proprietary funds.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

Enterprise funds are used to report the same functions presented in business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer operations services to the residents of the Village.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for accumulation of resources and costs associated with liability insurance program. The internal service fund serves governmental rather than business-type functions and have been included with governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 10-14 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains two fiduciary funds: the Police Pension Fund and the Firefighters' Pension Fund.

The basic fiduciary fund financial statements can be found on pages 15-16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17-55 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information including the major governmental fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 56-63 of this report.

The combining and individual fund statements and non-major governmental, enterprise, and internal service funds are presented on pages 64-112 of this report, immediately following the required supplementary information.

Infrastructure Assets

The Village's infrastructure, including roads, bridges, and storm sewers, is reported within the Governmental column of the Government-Wide Statements. The Village has chosen to depreciate assets over their estimated useful life. If a road project is considered a recurring cost that does not extend the road's original useful life or expand its capacity, the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Assets compares government-wide information from fiscal year ended December 31, 2005 to the present fiscal year ended December 31, 2006. The Assets of the Village of Wheeling exceeded liabilities by \$144,051,883 as of December 31, 2006. The largest portion of the Village's net assets reflects its investment in capital assets (\$73,990,895 or 51%), including land, buildings, infrastructure, and equipment, less any related debt still outstanding which was used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Village's net assets (\$20,192,016 or 14%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$49,868,972 or 35%) may be used to meet the government's ongoing obligations to citizens and creditors.

Please refer to table below for a condensed Statement of Net Assets:

Village of Wheeling Net Assets (in thousands)						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	12/31/06	12/31/05	12/31/06	12/31/05	12/31/06	12/31/05
Assets						
Current and other assets	\$53,092	\$53,036	\$8,707	\$8,094	\$61,799	\$61,130
Capital assets	46,905	44,985	38,541	36,607	85,446	81,592
Investment in joint venture			51,816	50,036	51,816	50,036
Total assets	99,997	98,021	99,064	94,737	199,061	192,758
Liabilities						
Current and other liabilities	12,274	13,107	541	900	12,815	14,007
Long-term liabilities	39,247	38,812	2,947	2,830	42,194	41,642
Total liabilities	51,521	51,919	3,488	3,730	55,009	55,649
Net Assets						
Invested in capital assets, net of related debt	38,280	34,965	35,711	33,372	73,991	68,337
Restricted	20,192	22,930	-	-	20,192	22,930
Unrestricted (deficit)	(9,996)	(11,794)	59,865	57,635	49,869	45,841
Total net assets	<u>\$48,476</u>	<u>\$46,101</u>	<u>\$95,576</u>	<u>\$91,007</u>	<u>\$144,052</u>	<u>\$137,108</u>

For more detailed information, see the Statement of Net Assets on page 3.

At the end of the current fiscal year, the Village was able to report positive balances in all three categories of net assets, both for the government as a whole, and for its separate governmental and business type activities. The same situation held true for the prior fiscal year.

The Village's combined net assets increased by \$7,017,546, net assets from governmental activities increased by \$2,448,531 and business-type activities increased by \$4, 569,015. Net assets of the Village's governmental funds were \$48,475,938. The Village's unrestricted net assets for governmental activities that are available for day-to-day financial operations had a negative balance of \$9,996,054 compared to a deficit of \$11,793,666 at the end of 2005. The deficit in unrestricted net assets is a result of the Village using tax increment financing (TIF) to induce redevelopment in the Village. As part of the inducement, the Village issued \$19,000,000 in Tax Increment Revenue Bonds. These bonds did not produce a capital asset that is owned by the Village. Although the Village is not obligated to retire the debt (as it is payable generally from the incremental taxes generated by the TIF), if the increment is not sufficient to pay the debt service on the bonds, then the bonds would be cancelled and the Village

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

would report a gain on the cancellation of said debt. Therefore, the deficit will be reduced and eliminated over the remaining life of the TIF.

The net assets of business-type activities were \$95,575,945. The business-type activities unrestricted net assets increased by \$2,229,719 during fiscal year 2006 primarily due to an increase in capital assets and investment in the joint venture.

The following table summarizes the changes in net assets as a result of changes in revenues and expenses.

Village of Wheeling's Changes in Net Assets (in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	12/31/06	12/31/05	12/31/06	12/31/05	12/31/06	12/31/05
Revenues						
Program Revenues						
Charges for services	\$4,067	\$3,047	\$9,663	\$10,727	\$13,730	\$13,774
Operating grants	1,140	1,274			1,140	1,274
Capital grants	524	284			524	284
General Revenue						
Taxes						
Property & replacement	14,029	12,714			14,029	12,714
Other taxes	18,791	15,257			18,791	15,257
Other general revenue	2,092	1,444	310	175	2,402	1,619
Total Revenues	40,643	34,020	9,973	10,902	50,616	44,922
Expenses						
General government	16,646	36,363			16,646	36,363
Public safety	17,420	16,654			17,420	16,654
Highways and streets	3,371	3,538			3,371	3,538
Interest and fees	1,986	1,122			1,986	1,122
Water and sewer			6,265	6,471	6,265	6,471
Total Expenses	39,423	57,677	6,265	6,471	45,688	64,148
Change in Net Assets Before Transfers & Contributions	1,220	(23,657)	3,708	4,431	4,928	(19,226)
Contributions	1,229	0	861	0	2,090	0
Transfers	0	(60)	0	60	0	0
Change in Net Assets	2,449	(23,717)	4,569	4,491	7,018	(19,226)
Net Assets, beginning	46,101	69,930	91,007	86,528	137,108	156,458
Prior period adjustments	(74)	(111)	0	(12)	(74)	(124)
Net Assets, beginning restated	48,476	69,818	91,007	86,516	137,034	156,334
Net Assets, December 31	<u>\$48,484</u>	<u>\$46,101</u>	<u>\$95,576</u>	<u>\$91,007</u>	<u>\$144,052</u>	<u>\$137,108</u>

VILLAGE OF WHEELING, ILLINOIS

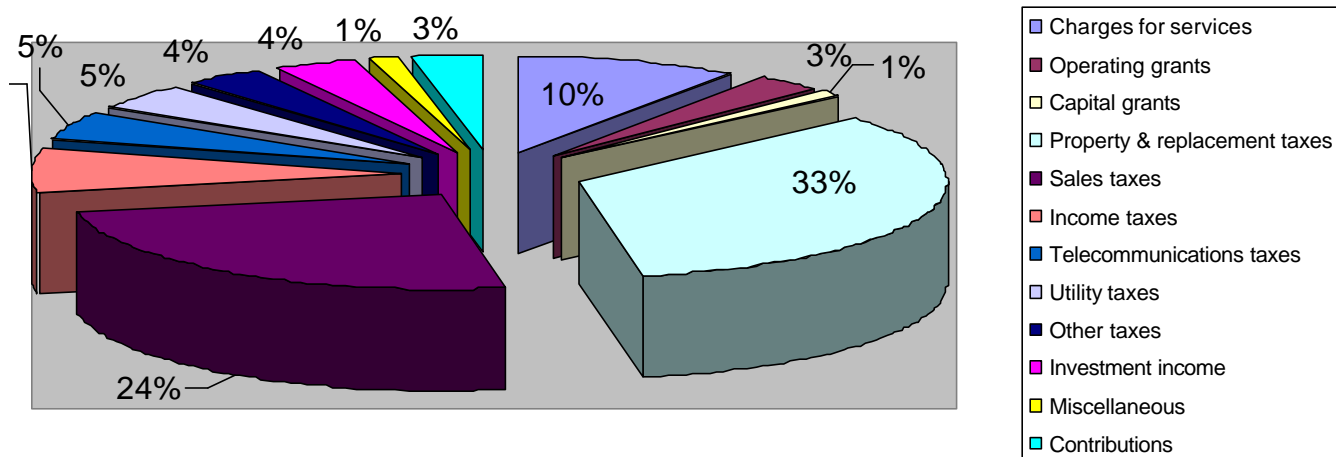
Management's Discussion and Analysis December 31, 2006

Governmental Activities

Governmental activities resulted in the increase in net assets by \$2,448,531. Key elements contributing to this change are as follows:

2006 Governmental Activities Revenue by Source

For the fiscal year ended December 31, 2006, total revenue from governmental activities was \$40,643,900, an increase of \$6,624,313. The increase can mostly be attributed to higher than expected sales tax revenue, including use tax revenue of approximately \$1 million that is not expected to reoccur and an increase in the home rule sales tax rate from .75% to 1% effective January 1, 2006. State income tax revenue increased as result of the special census conducted in 2006 that increased the Village's population by 4,059. Additionally, increased revenue was generated from licenses, permits and various taxes related to the opening of the Westin Hotel in October of 2006. Property and replacement taxes continue to be the Village's largest revenue source at \$14,028,604 representing 34.5% of total governmental activity revenue. Other taxes, including sales, utility, telecommunications, food and beverage and hotel/motel tax, and shared state income tax revenues total \$18,791,397 representing 46.2% of the total governmental activity revenue.



The "blended" 2005 property Equalized Assessed Valuation (EAV) for Cook and Lake Counties increased by 5.57%.

Levy year	Property in Cook County	Property in Lake County	Total
2005	\$1,162,865,793	\$3,689,831	\$1,166,555,624
2004	\$1,098,070,514	\$3,570,575	\$1,101,641,089
Increase (decrease)	\$64,795,279	\$119,256	\$64,914,535
Percent of Increase (decrease)	5.57%	3.23%	5.56%

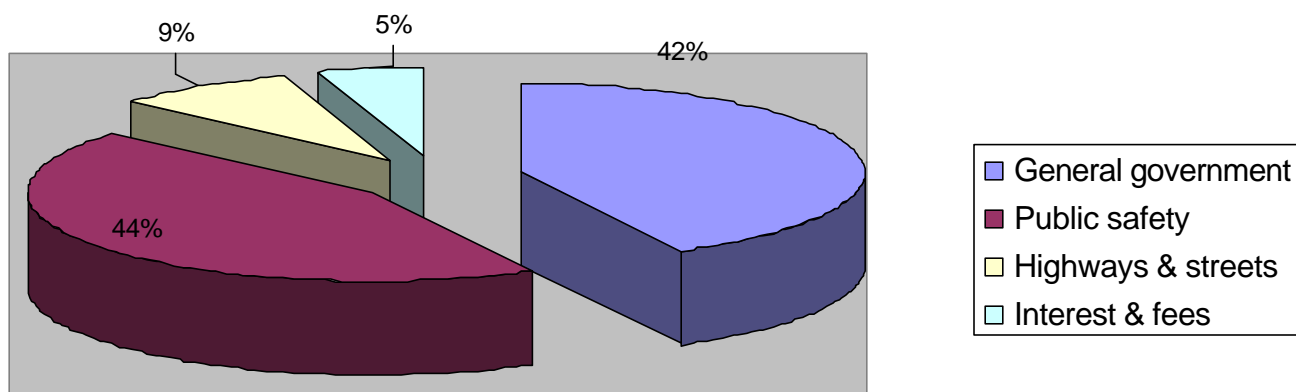
The Village's share of State of Illinois revenue continues to increase and was \$3,194,409 higher than in 2005. This increase is a result of the increase in home rule sales tax, demographic statistics resulting in increased population and general improvement of the state's economy. Gas and Electric Use Tax revenue, instituted by the Village in June of 2002 and reported in the capital projects fund, declined slightly from \$2,018,643 in 2005 to \$1,918,187 in 2006. Revenue from the 1% food and beverage tax implemented in October of 2005, increased from \$155,385 in 2005 to \$652,464 in 2006.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

State-Shared Tax Revenue	Fiscal Year Ended 12/31/06	Fiscal Year Ended 12/31/05	Revenue Increase (Decrease)
Sales Tax	\$6,518,149	4,984,789	1,533,360
Home Rule Sales Tax	3,877,296	2,785,416	1,091,880
Income Tax	3,047,017	2,574,239	472,778
Use Tax	500,254	403,863	96,391
Total	\$13,942,716	\$10,748,307	\$3,194,409

2006 Governmental Activities Expenses by Function



For the fiscal year ended December 31, 2006, expenses from governmental activities totaled \$39,424,151, compared to \$57,676,618 in 2005. This difference in general government expenditures can be attributed to \$24,000,898 in financing cost to provide assistance to the developer of the Westin hotel paid in 2005. Public safety expenses related to the operations of the Police Department and Fire Department totaled \$17,411,511, an increase of 4.4% mainly due to cost of living and merit adjustments for the personnel services.

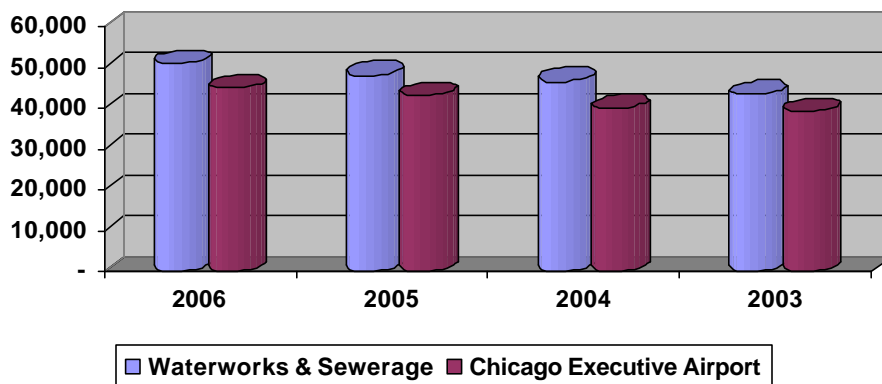
For the fiscal year ended December 31, 2006, the governmental funds reflect a combined fund balance of \$40,237,414, a 2.2% or \$887,683 decline from the prior year. This decrease is mostly due to the prior period adjustment (\$73,801) and loss on disposal of land purchased in tax increment financing areas and sold to developers at a loss (\$578,212).

Business-Type Activities

Net assets from business-type activities of the Village increased by \$4,569,015 or 5.2% to \$95,575,945; this number included \$44,787,802 in net assets of the Chicago Executive Airport presented as investment in joint ventures on the statement of net assets. Net Assets from the Village's waterworks and sewerage fund operations increased by \$2,735,766 or 5.4% to total net assets of \$50,788,143. A comparison of the Net Assets from the Proprietary funds operations are presented in the graph below.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006



Revenue from water and sewer charges decreased by 2.6% to \$7,167,461 in 2006, compared to \$7,351,758 in 2005. A 6.4% water and sewer rate increase was effective on water billed mailed in March of 2006 and a 5.5% decrease in consumption, resulted in lower than expected water and sewer sales revenues. As a result of the new residential and commercial construction in the Village the connection fees and meter sales increased by 66.5% to \$578,579.

Fiscal Year	Consumption (mil gallons)	Increase (Decrease) in (mil gallons)
2001	1,433,556	
2002	1,436,042	2,486
2003	1,544,836	108,794
2004	1,606,215	61,379
2005	1,550,944	(55,271)
2006	1,469,609	(81,335)

Income from the Chicago Executive Airport is reported as non-operating revenue and in 2006 resulted in income from joint venture of \$1,833,249, compared to \$3,016,905 in 2005.

Operating expenses from waterworks and sewerage were \$4,874,979, an increase of \$115,919 from \$4,759,060 in 2005. Expenses from waterworks and sewerage capital operations were \$418,338 or \$75,494 less than in 2005. The net assets of the waterworks and sewerage fund increased by 5.4% or \$2,735,766 in 2006 primarily due to lower than budget spending on capital projects.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

As of the end of the current fiscal year, the governmental funds (as presented on page 8) reported a combined fund balance of \$40,237,414, or 2.2% decrease from the preceding year. Approximately 38.1% constitutes unreserved, undesignated fund balance, which is available for spending at the Village's discretion. The remainder of fund balance is reserved or designated, to indicate that it is not available for new spending because it has already been committed: 1) to liquidate contracts and purchase orders for the previous year, 2) to pay debt service, or 3) for a variety of other restricted purposes.

General Fund The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. At December 31, 2006 total fund balance was \$16,222,231, of which \$15,452,128 was classified as unreserved. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 60.4% of expenditures, while total fund balance represents 63.4% of expenditures. The Village's fund balance policy states that it will try to maintain fund balance equal to or greater than 25% of the current year's budgetary expenditures. For purposes of the fund balance policy, fund balance is defined as cash, investments and interfund receivables and advances. At December 31, 2006 the Village's fund balance, as defined in the fund balance policy, was 63.4% of budgeted expenditures for the 2006 fiscal year.

Tax revenue for the General Fund consists primarily of the property tax, sales and home rule tax and telecommunications tax. Property tax revenue of \$6,828,755 was slightly below the projections. Sales and home rule sales tax exceeded budgeted projections by 25.5%, due to unanticipated receipt of approximately one million dollars of use tax revenue and stronger than expected sales tax receipts, totaling \$10,395,445. Telecommunications tax revenue of \$1,912,732 was below the projections by 10.5%. Additional tax revenue of \$179,571 was generated by a TIF District surplus distribution and a new source of revenue that went into effect on October 1, 2005. Revenue of \$652,464 was generated from the food and beverage tax.

Revenue from licenses and permits exceeded budget projections by \$500,845, primarily due to building permit revenue related to the construction of the Westin Hotel in Wheeling. This revenue was not budgeted in FY 2006 because the Village expected to receive it in FY 2005. Income and state use tax revenue exceeded budget projections by \$343,125 or 10.7% resulting in a positive intergovernmental budget variance.

Revenue from the charges for services was \$2,140,875 or about 25.7% higher than the budget expectations primarily due to plan review charges related to the Westin Hotel. Fines and forfeits resulted in revenue of \$377,745, which was in line with budget projections.

Investment income was \$538,033 or \$118,033 in excess of the budget, due in large part to rising interest rates during the year.

Miscellaneous revenue sources totaled \$581,645, resulting in a negative budget variance of \$153,084. The largest revenue source in this category was cable TV franchise fees, amounting to \$318,049, which was 9.3% over the budget.

The fund balance in the General Fund was \$16,222,231, an increase of \$2,031,462 during the current fiscal year. Please refer to the following table that summarizes General Fund revenues and expenditures with a comparison to budget for the fiscal year ended December 31, 2006.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

GENERAL FUND OPERATIONS Fiscal Year Ended December 31, 2006 (in thousands)

	Final Budget	Actual	Variance in Dollars	Variance in Percent
Revenues and other financial sources				
Taxes	\$18,383	\$20,165	\$1,782	9.6%
Licenses and permits	413	914	501	100.2
Intergovernmental	3,496	3,802	306	8.8
Charges for services	1,703	2,141	438	25.7
Fines and forfeits	371	378	7	1.9
Investment income	420	538	118	28.1
Miscellaneous	735	582	(153)	(20.8)
Total Revenues	25,521	28,520	2,999	11.8
Expenditures and other Financing uses				
General government	9,625	9,502	(123)	1.3
Public Safety	16,483	16,101	(382)	2.3
Total Expenditures	26,108	25,603	(505)	1.9
Excess(Deficiency) if revenues over expenditures	(587)	2,917	3,504	200.1
Other Financial Sources(uses)	(529)	(885)	(356)	(67.3)
Net change in fund balance	\$(1,116)	\$2,032	\$3,148	200.8%

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the water and sewerage and airport funds as major proprietary funds.

At December 31, 2006 the Proprietary Funds (as presented on pages 10-12) total net assets from business type activities increased by \$4,569,015 or 4.8%, while total net assets from the internal service funds increased by \$10,544.

Net assets of the water and sewer fund increased by \$2,735,766 or about 5.4%. This increase is primarily due to additions of capital assets through developer donations and capital improvement plan projects and revenue from water connection fees and higher than anticipated investment income.

The Village of Wheeling is a member of the Chicago Municipal Airport Commission, a proprietary joint venture, together with the City of Prospect Heights. Both municipalities maintain joint ownership and administration of the airport. Although assets are legally held in the name of both governments, all assets and revenues are restricted to the airport's needs. In 2006 the airport reported total net assets of \$44,787,802, a \$1,833,249 increase from last year.

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

CAPITAL ASSETS

The Village's total investment in capital assets for its governmental and business-type activities on December 31, 2006, was \$46,904,976 and \$38,540,919 (net of accumulated depreciation) respectively.

The investment in governmental capital assets includes land, buildings and improvements, vehicles, equipment, furniture and infrastructure. The net assets from governmental activities resulted in a net decrease of \$503,736, primarily due to the aging of the capital equipment.

The investment in business-type activities capital assets includes land, infrastructure, vehicles and other equipment related to Water and Sewer fund operations sets in the water and sewerage. The net assets from the business-type activities increased by \$1,934,296, net of retirements, as a result of additional capital spending related to waterworks and sewerage infrastructure. This amount increased primarily due to the developer donations related to the River Mill Crossing Subdivision (\$861,471) and the water main replacement (\$1,480,951) project as part of the Village's capital water system improvement program. Detailed information regarding the change in capital assets for governmental and business-type activities is included in the notes to the financial statements on pages 32-33.

Capital Assets - Net of Depreciation (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2006	2005	2006	2005	2006	2005
Land	12,102	11,312	589	589	12,691	11,901
Land right of way	11,561	11,561			11,561	11,561
Buildings & Improvements	10,253	9,935			10,253	9,935
Vehicles, equipment, & furniture	1,823	1,587	628	682	2,451	2,269
Infrastructure	10,587	10,304			10,587	10,304
Water System Improvements			25,022	23,700	25,022	23,700
Sewer System Improvements			12,008	11,636	12,008	11,636
Construction in progress	579	212	294		873	212
Total	46,905	44,911	38,541	36,607	85,446	81,518

DEBT OUTSTANDING

At the end of the fiscal year 2006, the Village had six general obligation bond series and one tax increment revenue bond series while business-type activities had two general obligation bond series.

During the year the Village retired \$1,880,000 of general bond principal reducing total outstanding general government bonded debt to \$18,582,906. Repayment of \$19,000,000 in tax increment financing revenue bonds and \$5,140,000 in general obligation sales tax bonds issued in September of 2005 is scheduled to begin in 2007. The Water Works and Sewerage fund made payments of \$405,000, reducing the business type general obligation outstanding balance to \$2,830,000

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

Total Bonded Debt

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
General Obligations Bonds	18,582,906	20,412,308	2,830,000	3,235,000	21,412,906	23,647,308
TIF Revenue Bonds	19,000,000	19,000,000			19,000,000	19,000,000
Total	37,582,906	39,412,308	2,830,000	3,235,000	40,412,906	42,647,308

The Village, under its home rule authority, does not have a legal debt limit. On January 23, 2003, Fitch Ratings upgraded the Village's bond rating to "AA+" from "AA". The "AA+" upgrade reflects the Village of Wheeling's increased economic diversification and stronger growth, reduced debt needs, and improved financial flexibility.

The Village currently has total net general obligation debt outstanding of \$21.4 million, or 1.84% of bonded debt to EAV, which is less than the average of 3% to 4% for similar size communities. The Series 1999 issue partially refunded the 1994 issue and the Series 2003 issue refunded nearly all of the Series 1995 and 1996 bonds with the property tax levy providing adequate financing for the remaining outstanding debt balance. In December of 2006, the Village made the last payment on a portion of the 2003 general Obligation bonds (which refunded bonds issued in 1995).

Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 33-37.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's composition is primarily residential and multi-family housing with a strong commercial component. The Village's principal taxpayers are retail discount stores, famous restaurants and multi-family housing developments. During the last few years the Village has experienced a high rate of growth in both residential and commercial development, primarily due to the use of Tax Increment Financing (TIF).

The Village's 2007 general fund budgeted revenue is projected at \$29,541,799 which is an increase of \$1,022,743 or 3.5% over 2006 actual revenues. The significant increase in revenue is a combination of taxes, fees and interest income. The property tax revenue derived from the residential, commercial, and industrial properties continues to be stable. In 2006 state revenues, including income and use taxes were 18% above the budgeted expectations. The opening of the Westin Chicago North Shore hotel in October of 2005 created additional tax revenue for the Village. Food and Beverage tax revenue was \$497,079 higher than in 2005. Hotel and motel tax revenue increased from \$50,450 in 2005 to \$181,359 in 2006. All village funds enjoyed higher than expected investment income, well above the budget expectations and last years actual, resulting in \$1,811,863 additional revenue for the Village. Sales tax revenue exceeded budget expectations by 17% and \$2,655,242 or 25.47% above last year's actual revenue.

State & Home Rule Sales tax remain the largest revenue source for the Village, and we anticipate that it will continue to increase primarily due to the impact of the Westin Hotel, Staples and Friday's developments in the Village. Additionally, a conservative 2.5% increase in sales tax revenue is budgeted in 2007. The fiscal year 2007 budget includes a 4.75% increase in the property tax levy. This projection is a combination of an increase to the General Fund tax levy and a decrease in the levy for the Village's general obligation debt, since the Village was able to retire a portion of the 2003 General Obligation bonds in December of 2006. State income tax revenue is

VILLAGE OF WHEELING, ILLINOIS

Management's Discussion and Analysis December 31, 2006

expected to increase in 2007 based on the projections provided by the Illinois Municipal League. Revenue from the telecommunications tax is continuing to decline since DSL service became exempt from the telecommunications tax and cellular phone companies are offering free long distance services.

The 2007 budgeted General Fund expenditures total \$29,310,131 including inter-fund transfers; this represents an increase of 9.6% over the actual 2006 expenditures and transfers. Much of the increase (47%) is due to the increasing cost of salaries, pension and health insurance benefits. Excluding those costs, the increase in the budget is 3.3%.

Fiscal year 2007 expenditures for water and sewer operations are projected at \$6,325,987 excluding a \$4,209,701 transfer to the Capital Fund for repair and replacement projects. This represents an increase of 16.3% (\$1,032,670). The budgeted 2007 revenue is projected at \$9,463,009, excluding the transfer for repair and replacement projects. This represents a combined increase of 4.2% (\$401,047) from 2006 actual results. The Water and Sewer fund budget includes a 3.75% increase in water and sewer rates. This increase is necessary to continue the Board's pro-active multiyear water and sewer main replacement program.

Other major fund expenditures that will have a significant impact on the Villages 2007 economic development are summarized below. The 2007 budget includes \$19,304,499 in TIF expenditures in the Crossroads, South Milwaukee, North Milwaukee/Lake-cook and Town Center TIF districts. The majority of these expenditures have been budgeted for land acquisition costs, development incentives and debt service on bonds related to the Westin Hotel and Prairie Park condominium projects. In addition, the budget includes \$3,846,467 for capital improvements consisting primarily of \$1,518,067 for the first year cost of the Dundee Road new intersection and entryway to the Village Hall campus and \$1,237,900 for the Wolf Road sanitary sewer rehabilitation project.

The Village's principal and interest debt payments for 2007 are budgeted at \$4,043,704. Of that amount, only \$951,760 is supported by the property tax levy; the remaining amount will be paid by existing funds in the TIF, Water and Sewer and Capital Projects Funds.

The Village's overall financial position improved in 2006 and in 2007 the Village's board has approved a surplus budget. As long as the Board continues to take a conservative approach with regard to new programs and projects, the current combination of a healthy revenue stream and managed level of expenditures will continue to ensure the Village's strong financial position.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Michael Mondschain, Director of Finance, Village of Wheeling, 255 West Dundee Road, Illinois, 60025.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF NET ASSETS

December 31, 2006

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 30,117,466	\$ 5,652,999	\$ 35,770,465
Receivables (net where applicable of allowance for uncollectibles)			
Property taxes	9,091,681	-	9,091,681
Sales taxes	2,561,466	-	2,561,466
Income taxes	313,648	-	313,648
Telecommunications tax	476,901	-	476,901
Accounts	72,909	1,741,838	1,814,747
Accrued interest	154,927	25,485	180,412
Other	861,415	1,769	863,184
Prepaid expenses	326,159	129,980	456,139
Inventory	226,681	281,499	508,180
Due from fiduciary funds	122	-	122
Due from other governments	181,944	-	181,944
Land held for resale	8,532,455	-	8,532,455
Advances to other funds	(850,429)	850,429	-
Deferred charges	688,879	23,227	712,106
Net pension asset	336,048	-	336,048
Capital assets not being depreciated	24,242,249	882,429	25,124,678
Capital assets being depreciated, net of accumulated depreciation	22,662,727	37,658,490	60,321,217
Investment in joint venture	-	51,815,543	51,815,543
Total assets	99,997,248	99,063,688	199,060,936
LIABILITIES			
Accounts payable	1,395,574	484,405	1,879,979
Accrued payroll	51,185	13,874	65,059
Deposits payable	295,890	38,293	334,183
Unearned revenue	8,892,830	-	8,892,830
Claims payable	1,021,128	-	1,021,128
Due to fiduciary funds	9,857	-	9,857
Interest payable	607,386	4,087	611,473
Long-term liabilities			
Due within one year	1,774,221	527,084	2,301,305
Due in more than one year	37,473,239	2,420,000	39,893,239
Total liabilities	51,521,310	3,487,743	55,009,053
NET ASSETS			
Invested in capital assets, net of related debt	38,279,976	35,710,919	73,990,895
Restricted for			
Highways and streets	1,786,792	-	1,786,792
Public safety	341,509	-	341,509
Economic development	14,239,236	-	14,239,236
Capital projects	3,733,942	-	3,733,942
Debt service	90,537	-	90,537
Unrestricted (deficit)	(9,996,054)	59,865,026	49,868,972
TOTAL NET ASSETS	\$ 48,475,938	\$ 95,575,945	\$ 144,051,883

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2006

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 16,646,480	\$ 2,372,907	\$ 34,433	\$ 150,000
Public safety	17,420,259	1,315,490	4,239	373,929
Highways and streets	3,371,315	378,991	1,101,614	-
Interest and fees	1,986,097	-	-	-
Total governmental activities	39,424,151	4,067,388	1,140,286	523,929
Business-Type Activities				
Water and sewer	6,265,342	7,883,699	-	-
Airport	-	1,779,395	-	-
Total business-type activities	6,265,342	9,663,094	-	-
TOTAL PRIMARY GOVERNMENT	\$ 45,689,493	\$ 13,730,482	\$ 1,140,286	\$ 523,929

	Net (Expense) Revenue and Change in Net Assets		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (14,089,140)	\$ -	\$ (14,089,140)
	(15,726,601)	-	(15,726,601)
	(1,890,710)	-	(1,890,710)
	(1,986,097)	-	(1,986,097)
	(33,692,548)	-	(33,692,548)
	-	1,618,357	1,618,357
	-	1,779,395	1,779,395
	-	3,397,752	3,397,752
	(33,692,548)	3,397,752	(30,294,796)
General Revenues			
Taxes			
Property and replacement	14,028,604	-	14,028,604
Sales	10,395,445	-	10,395,445
Utility	1,918,187	-	1,918,187
Telecommunications	1,912,732	-	1,912,732
Food and beverage	652,464	-	652,464
Hotel/motel	181,359	-	181,359
Income	3,047,017	-	3,047,017
Other	684,193	-	684,193
Investment income	1,502,072	309,791	1,811,863
Miscellaneous	590,224	-	590,224
Contributions	1,228,782	861,472	2,090,254
Total	36,141,079	1,171,263	37,312,342
CHANGE IN NET ASSETS	2,448,531	4,569,015	7,017,546
NET ASSETS, JANUARY 1	46,101,208	91,006,930	137,108,138
Prior period adjustment	(73,801)	-	(73,801)
NET ASSETS, JANUARY 1, RESTATED	46,027,407	91,006,930	137,034,337
NET ASSETS, DECEMBER 31	\$ 48,475,938	\$ 95,575,945	\$ 144,051,883

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

BALANCE SHEET

December 31, 2006

	General	Crossroads Redevelopment Area	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 12,844,791	\$ 696,757	\$ 4,598,443	\$ 10,792,194	\$ 28,932,185
Receivables (net where applicable of allowance for uncollectibles)					
Property taxes	7,930,200	182,318	7,816	971,347	9,091,681
Sales taxes	2,561,466	-	-	-	2,561,466
Income taxes	313,648	-	-	-	313,648
Telecommunications tax	476,901	-	-	-	476,901
Accounts	-	-	-	72,909	72,909
Accrued interest	79,443	16,103	6,926	46,394	148,866
Other	624,463	-	-	236,952	861,415
Prepaid items	323,403	-	-	2,756	326,159
Inventory	201,593	-	-	25,088	226,681
Due from other funds	89,434	105,005	-	12,276	206,715
Due from fiduciary funds	122	-	-	-	122
Due from other governments	-	-	-	181,944	181,944
Land held for resale	-	6,189,903	-	2,342,552	8,532,455
TOTAL ASSETS	\$ 25,445,464	\$ 7,190,086	\$ 4,613,185	\$ 14,684,412	\$ 51,933,147
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 912,955	\$ 19,771	\$ 9,850	\$ 446,251	\$ 1,388,827
Accrued payroll	51,185	-	-	-	51,185
Deposits payable	295,890	-	-	-	295,890
Deferred revenue	7,941,070	-	-	951,760	8,892,830
Due to other funds	12,276	-	-	194,439	206,715
Due to fiduciary funds	9,857	-	-	-	9,857
Advance from other funds	-	-	-	850,429	850,429
Total liabilities	9,223,233	19,771	9,850	2,442,879	11,695,733
FUND BALANCES					
Fund balances					
Reserved for land held for resale	-	6,189,903	-	2,342,552	8,532,455
Reserved for prepaid items	323,403	-	-	2,756	326,159
Reserved for inventory	201,593	-	-	25,088	226,681
Reserved for senior committee	204,156	-	-	-	204,156
Reserved for sidewalks and trees	40,951	-	-	-	40,951
Reserved for highways and streets	-	-	-	1,761,704	1,761,704
Reserved for public safety	-	-	-	340,013	340,013
Reserved for economic development	-	980,412	4,603,335	598,242	6,181,989
Reserved for capital projects	-	-	-	3,258,734	3,258,734
Reserved for debt service	-	-	-	90,537	90,537
Unreserved					
Designated for capital outlay	-	-	-	3,945,266	3,945,266
Undesignated (deficit)					
General Fund	15,452,128	-	-	-	15,452,128
Special Revenue Funds	-	-	-	(1,260)	(1,260)
Capital Projects Funds	-	-	-	(122,099)	(122,099)
Total fund balances	16,222,231	7,170,315	4,603,335	12,241,533	40,237,414
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,445,464	\$ 7,190,086	\$ 4,613,185	\$ 14,684,412	\$ 51,933,147

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

December 31, 2006

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 40,237,414
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	46,904,976
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:	
General obligation bonds	(18,582,906)
Tax increment revenue bonds	(19,000,000)
Discount on bonds payable	137,388
Compensated absences payable	(1,801,942)
Accrued interest on long-term liabilities shown as a liability on the statement of net assets	(607,386)
The net pension asset of the police and fire pension funds is reported as an asset on the statement of net assets	336,048
Unamortized bond issuance costs are reported as deferred charges on the statement of net assets	688,879
The net assets of the internal service fund are included in the governmental activities in the statement of net assets	<u>163,467</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 48,475,938</u></u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2006

	General	Crossroads Redevelopment Area	North Milwaukee/ Lake Cook Redevelopment Area	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 20,165,204	\$ 2,682,566	\$ 636,884	\$ 5,370,938	\$ 28,855,592
Licenses and permits	913,665	-	-	-	913,665
Intergovernmental	3,801,889	150,000	3,669	1,505,253	5,460,811
Charges for services	2,140,875	1,000	-	166,745	2,308,620
Fines and forfeits	377,745	-	-	-	377,745
Investment income	538,033	178,523	172,688	612,828	1,502,072
Miscellaneous	581,645	191,826	151,429	300,495	1,225,395
Total revenues	28,519,056	3,203,915	964,670	7,956,259	40,643,900
EXPENDITURES					
Current					
General government	9,501,709	-	-	-	9,501,709
Public safety	16,100,972	-	-	853,920	16,954,892
Highways and streets	-	-	-	2,227,587	2,227,587
Capital outlay	-	2,240,754	128,989	2,050,068	4,419,811
Capital improvements	-	130,735	2,686,658	1,091,317	3,908,710
Debt service					
Principal	-	-	-	1,880,000	1,880,000
Interest and fiscal charges	-	-	1,314,064	407,831	1,721,895
Total expenditures	25,602,681	2,371,489	4,129,711	8,510,723	40,614,604
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,916,375	832,426	(3,165,041)	(554,464)	29,296
OTHER FINANCING SOURCES (USES)					
Proceeds on sale of capital assets	31,293	-	-	-	31,293
Loss on disposal of land held for resale	-	(578,212)	-	-	(578,212)
Transfers in	-	-	2,640,000	1,080,499	3,720,499
Transfers (out)	(916,206)	(3,143,630)	(1,037)	(29,626)	(4,090,499)
Total other financing sources (uses)	(884,913)	(3,721,842)	2,638,963	1,050,873	(916,919)
NET CHANGE IN FUND BALANCES	2,031,462	(2,889,416)	(526,078)	496,409	(887,623)
FUND BALANCES, JANUARY 1	14,190,769	10,059,731	5,129,413	11,745,124	41,125,037
FUND BALANCES, DECEMBER 31	\$ 16,222,231	\$ 7,170,315	\$ 4,603,335	\$ 12,241,533	\$ 40,237,414

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2006

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (887,623)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures, however, they are capitalized and depreciated in the statement of activities	3,780,658
--	-----------

Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(1,774,381)
--	-------------

Proceeds from the disposal of capital assets are recognized in governmental funds but the gain (loss) is recognized on the statement of activities	(12,027)
--	----------

The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	1,880,000
--	-----------

Bond issuance costs are shown as an expenditure in governmental funds but as an increase in deferred charges on the statement of net assets	(36,596)
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Accretion of bonds is reported as interest expense on the statement of activities	(50,598)
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Amortization of bond issuance costs is reported as interest expense on the statement of activities	(8,056)
--	---------

The increase of accrued interest payable is shown as an increase of expense on the statement of activities	(168,952)
--	-----------

The increase in compensated absences payable is shown as an increase of expense on the statement of activities	(275,690)
--	-----------

The change in the net pension asset	(8,748)
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The change in net assets of certain activities of internal service funds is in governmental funds	<u>10,544</u>
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CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,448,531</u></u>
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See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

December 31, 2006

	Business-Type Activities			Governmental Activities
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CURRENT ASSETS				
Cash and investments	\$ 5,652,999	\$ -	\$ 5,652,999	\$ 1,185,281
Receivables (net where applicable of allowance for uncollectibles)				
Accounts	1,741,838	-	1,741,838	-
Accrued interest	25,485	-	25,485	6,061
Miscellaneous	1,769	-	1,769	-
Prepaid expenses	129,980	-	129,980	-
Inventory	281,499	-	281,499	-
 Total current assets	 7,833,570	 -	 7,833,570	 1,191,342
NONCURRENT ASSETS				
CAPITAL ASSETS				
Assets not being depreciated	882,429	-	882,429	-
Assets being depreciated				
Cost	51,221,058	-	51,221,058	-
Accumulated depreciation	(13,562,568)	-	(13,562,568)	-
 Net capital assets being depreciated	 37,658,490	 -	 37,658,490	 -
 Net capital assets	 38,540,919	 -	 38,540,919	 -
Deferred charges	23,227	-	23,227	-
Advances to other funds	850,429	-	850,429	-
Investment in joint ventures	7,027,741	44,787,802	51,815,543	-
 Total noncurrent assets	 46,442,316	 44,787,802	 91,230,118	 -
 Total assets	 54,275,886	 44,787,802	 99,063,688	 1,191,342

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS (Continued)

December 31, 2006

	Business-Type Activities			Governmental Activities
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CURRENT LIABILITIES				
Accounts payable	\$ 484,405	\$ -	\$ 484,405	\$ 6,747
Accrued payroll	13,874	-	13,874	-
Compensated absences payable	117,084	-	117,084	-
Deposits payable	38,293	-	38,293	-
Interest payable	4,087	-	4,087	-
Bonds payable	410,000	-	410,000	-
Claims payable	-	-	-	1,021,128
Total current liabilities	1,067,743	-	1,067,743	1,027,875
NONCURRENT LIABILITIES				
General obligation bonds payable (less current portion)	2,420,000	-	2,420,000	-
Total noncurrent liabilities	2,420,000	-	2,420,000	-
Total liabilities	3,487,743	-	3,487,743	1,027,875
NET ASSETS				
Invested in capital assets, net of related debt	35,710,919	-	35,710,919	-
Unrestricted	15,077,224	44,787,802	59,865,026	163,467
TOTAL NET ASSETS	<u>\$ 50,788,143</u>	<u>\$ 44,787,802</u>	<u>\$ 95,575,945</u>	<u>\$ 163,467</u>

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS

For the Year Ended December 31, 2006

	Business Type Activities			Governmental Activities
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
OPERATING REVENUES				
Charges for services				
Water sales and sewer charges	\$ 7,167,461	\$ -	\$ 7,167,461	\$ -
Connection fees	404,587	-	404,587	-
Meter sales	173,992	-	173,992	-
Liability insurance	-	-	-	904,220
Other	137,659	-	137,659	-
Total operating revenues	7,883,699	-	7,883,699	904,220
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Water division	3,931,935	-	3,931,935	-
Sewer division	1,361,382	-	1,361,382	-
Insurance and claims	-	-	-	1,302,750
Total operating expenses excluding depreciation	5,293,317	-	5,293,317	1,302,750
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	2,590,382	-	2,590,382	(398,530)
DEPRECIATION	907,484	-	907,484	-
OPERATING INCOME (LOSS)	1,682,898	-	1,682,898	(398,530)
NONOPERATING REVENUES (EXPENSES)				
Investment income	309,791	-	309,791	38,979
Gain on disposal of capital assets	50,370	-	50,370	-
Contributions	861,472	-	861,472	-
Interest expense and fees	(114,911)	-	(114,911)	-
Income from joint venture	(53,854)	1,833,249	1,779,395	-
Miscellaneous	-	-	-	95
Total nonoperating revenues (expenses)	1,052,868	1,833,249	2,886,117	39,074
INCOME (LOSS) BEFORE TRANSFERS	2,735,766	1,833,249	4,569,015	(359,456)
TRANSFERS				
Transfers in	-	-	-	370,000
Total transfers	-	-	-	370,000
CHANGE IN NET ASSETS	2,735,766	1,833,249	4,569,015	10,544
NET ASSETS, JANUARY 1	48,052,377	42,954,553	91,006,930	152,923
NET ASSETS, DECEMBER 31	\$ 50,788,143	\$ 44,787,802	\$ 95,575,945	\$ 163,467

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2006

	Business-Type Activities			Governmental Activities
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 7,957,992	\$ -	\$ 7,957,992	\$ -
Receipts from internal service transactions	-	-	-	904,220
Payments to suppliers	(3,477,471)	-	(3,477,471)	(1,170,540)
Payments to employees	(1,645,593)	-	(1,645,593)	-
Net cash from operating activities	2,834,928	-	2,834,928	(266,320)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Insurance reimbursements	-	-	-	95
Advances to other funds	(93,640)	-	(93,640)	-
Transfers in	-	-	-	370,000
Net cash from noncapital financing activities	(93,640)	-	(93,640)	370,095
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of property, plant, and equipment	(1,981,359)	-	(1,981,359)	-
Proceeds from disposal of property, plant, and equipment	51,422	-	51,422	-
Principal paid on general obligation bonds	(405,000)	-	(405,000)	-
Interest paid on general obligation bonds	(112,790)	-	(112,790)	-
Fiscal fees paid	(800)	-	(800)	-
Net cash from capital and related financing activities	(2,448,527)	-	(2,448,527)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(96,727)	-	(96,727)	-
Proceeds from sales and maturities of investment securities	364,909	-	364,909	186
Interest on investments	302,163	-	302,163	39,504
Net cash from investing activities	570,345	-	570,345	39,690
NET INCREASE IN CASH AND CASH EQUIVALENTS	863,106	-	863,106	143,465
CASH AND CASH EQUIVALENTS, JANUARY 1	2,358,872	-	2,358,872	746,409
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 3,221,978</u>	<u>\$ -</u>	<u>\$ 3,221,978</u>	<u>\$ 889,874</u>
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 3,221,978	\$ -	\$ 3,221,978	\$ 889,874
Investments	2,431,021	-	2,431,021	295,407
TOTAL CASH AND INVESTMENTS	<u>\$ 5,652,999</u>	<u>\$ -</u>	<u>\$ 5,652,999</u>	<u>\$ 1,185,281</u>

(This statement is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2006

	Business-Type Activities			Governmental Activities
	Waterworks and Sewerage	Airport	Total	Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,682,898	\$ -	\$ 1,682,898	\$ (398,530)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization	907,484	-	907,484	-
Changes in current assets and liabilities				
Accounts receivable	72,523	-	72,523	-
Inventory	22,343	-	22,343	-
Prepaid expenses	(13,407)	-	(13,407)	-
Accounts payable	149,903	-	149,903	(13,744)
Claims and judgments payable	-	-	-	145,954
Accrued payroll	3,602	-	3,602	-
Compensated absences payable	7,812	-	7,812	-
Deposits payable	1,770	-	1,770	-
NET CASH FROM OPERATING ACTIVITIES	\$ 2,834,928	\$ -	\$ 2,834,928	\$ (266,320)
NONCASH TRANSACTIONS				
Income from joint venture	\$ (53,854)	\$ 1,833,249	\$ 1,779,395	\$ -
Developer contributions	861,472	-	861,472	-
TOTAL NONCASH TRANSACTIONS	\$ 807,618	\$ 1,833,249	\$ 2,640,867	\$ -

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

December 31, 2006

ASSETS

Cash and short-term investments	\$ 3,710,937
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Investments at fair value

U.S. Government and agency obligations	24,677,400
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Illinois Metropolitan Investment Pool	193,102
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State and local obligations	807,828
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Mutual funds	23,392,111
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Total investments	49,070,441
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Receivables

Accrued interest	76,145
------------------	--------

Other	309
-------	-----

Due from other funds	9,857
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Total receivables	86,311
-------------------	--------

Total assets	52,867,689
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LIABILITIES

Accounts payable	264
------------------	-----

Due to other funds	122
--------------------	-----

Total liabilities	386
-------------------	-----

NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS

\$ 52,867,303

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS

For the Year Ended December 31, 2006

ADDITIONS

Contributions

Employer	\$ 1,068,876
Employee	821,128
Other	
Donations	<u>1,350</u>

Total contributions	<u>1,891,354</u>
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Investment income

Net appreciation in fair value of investments	3,308,121
Interest	<u>771,903</u>

Total investment income	4,080,024
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Less investment expenses	<u>28,632</u>
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Net investment income	<u>4,051,392</u>
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Total additions	<u>5,942,746</u>
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DEDUCTIONS

Benefits	2,295,198
Administrative expenses	<u>17,383</u>

Total deductions	<u>2,312,581</u>
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NET INCREASE	3,630,165
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NET PLAN ASSETS HELD IN TRUST FOR
PENSION BENEFITS

January 1	<u>49,237,138</u>
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December 31	<u><u>\$ 52,867,303</u></u>
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See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS

December 31, 2006

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Wheeling, Illinois (the Village) was incorporated in 1894. The Village provides services to the community that include police, fire, water and sewer utility, community development, street maintenance, and general services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Government Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

a. Reporting Entity

The Village is a municipal corporation governed by an elected eight-member board. As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government.

Based on the above criteria, the Village does not have any component units.

b. Fund Accounting

The Village uses funds to report on its financial position and the change in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds are maintained consistent with legal and managerial requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund.

Enterprise funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). Pursuant to GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds*, the Village has chosen to apply all GASB pronouncements as well as those FASB pronouncements issued on or before November 30, 1989 to account for its enterprise funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Village. The effect of material inter-fund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

The Crossroads Redevelopment Area Fund is used to account for the redevelopment activities of the tax increment financing district located near Milwaukee Avenue and Dundee Road.

The North Milwaukee/Lake Cook Redevelopment Area Fund is used to account for the redevelopment activities of the tax increment financing district located near Milwaukee and Lake Cook Roads.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

The Airport Fund is used to account for the Village's share of the Chicago Executive Airport Commission.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Additionally, the Village reports the following Internal Service Fund:

Internal Service Fund (Liability Insurance Fund) is used to account for accumulation of resources and costs associated with liability insurance for the Village. This fund is reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Nonoperating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Property taxes, sales taxes owed to the state at year end, franchise taxes, licenses, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

In applying the susceptible-to-accrual concept to intergovernmental revenues (e.g., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports deferred/unearned revenue on its financial statements. Deferred/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred/unearned revenues also arise when resources are received by the government before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for deferred/unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

For purposes of the statement of cash flows, the Village considers cash and cash equivalents to include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments with a maturity of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased, are reported at fair value. All investments of the pension trust funds, regardless of length of maturity, are reported at fair value. Fair value is based on published market quotes as of December 31 or contract values for insurance contracts.

f. Interfund Receivables/Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (current portion of interfund loans) or "advances to/from other funds" (non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables (Continued)

Advances are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

g. Property Taxes

Property taxes are levied in December of each year on all taxable real property in the Village and attach as an enforceable lien on the property as of the preceding January 1. Property taxes receivable represent the balance due on the 2006 levy. Tax bills are prepared by the County and issued on or about February 1, 2007 (Cook County) and May 1, 2007 (Lake County) and are payable in two installments on or about March 1, 2007 (Cook County) and June 1, 2007 (Lake County) and on or about September 1, 2007 (both Cook and Lake Counties). The County Collector collects such taxes and remits them periodically. A reduction for collection losses, based on historical collection experience, has been provided to reduce the taxes receivable to the estimated amounts to be collected. Since the 2006 levy is intended to finance the 2007 fiscal year, the levy has been recorded as receivable and deferred revenue.

h. Inventories and Prepaid Items/Expenses

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Land Held for Resale

Land held for resale is valued at the lower of cost or market. Reported land held for resale is equally offset by a fund balance reserve, which indicates that it does not constitute available spendable resources. The land held consists of numerous parcels, mostly within TIF Districts, that the Village owns and is holding until sold.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

Asset Class	Capitalization Threshold
Land	\$ 100,000
Building and improvements	50,000
Vehicles, equipment, and furniture	10,000
Infrastructure	100,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	10-45
Water and sewer distributions system	45-65
Vehicles, equipment, and furniture	5-30
Infrastructure	15-40

k. Compensated Absences

Vested or accumulated vacation leave that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Compensated Absences (Continued)

Sick Leave: A sick leave deferred payment account (SLDPA) is offered to eligible employees upon retirement. A SLDPA is a method of allowing eligible employees to utilize a portion of accrued but unused sick time hours towards the payment of the employee's portion of the monthly premium of a village group medical insurance plan, if the employee, upon retirement chooses the conversion privilege of the Village's group medical insurance plan. In order to be eligible to establish a SLDPA, the employee must:

- have retired in good standing; and
- have at least twenty years of continuous service with the Village immediately prior to retirement or have at least ten years of continuous service with the Village immediately prior to retirement and have attained the age of sixty by the date of retirement; and
- have been continuously covered for at least twelve months immediately prior to retirement under the Village's medical insurance plan and in full compliance with all plan provisions; and
- have at least 675 hours of accrued but unused sick time (1,000 hours for the fire union).

The SLDPA is calculated by using the employee's final hourly wage multiplied by the number of accrued but unused sick time hours in excess of 675 (1,000 hours for the fire union) sick time hours accrued but unused. The maximum number of accrued but unused sick time hours that may be used within the SLDPA is 536 hours (720 hours for the fire union). Other accumulated unpaid sick leave is not paid to an employee in the event of termination; thus, no liability is recorded for those nonvested benefits.

l. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Long-Term Obligations (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

m. Fund Balance/Net Assets

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. In the government-wide financial statements, restricted net assets are legally restricted by outside parties for a specific purpose. None of the Village's net assets are restricted as a result of enabling legislation adopted by the Village. Invested in capital assets, net of related debt, represents the Village's investments in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

2. DEPOSITS AND INVESTMENTS

a. Village Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value). The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 50% of the institution's capital stock and surplus.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and rate of return.

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. In addition, investments are separately held by several of the Village’s funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village’s deposits may not be returned to it. The Village’s investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Village, an independent third party or the Federal Reserve Bank of Chicago.

Investments

The following table presents the investments and maturities of the Village’s debt securities as of December 31, 2006:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Agency Obligations	\$ 8,514,616	\$ 1,878,454	\$ 6,636,162	\$ -	-
Negotiable Certificates of Deposit	16,212,472	2,590,596	13,621,876	-	-
Illinois Metropolitan Investment Fund	4,774,776	-	4,774,776	-	-
Illinois Funds	2,471,347	2,471,347	-	-	-
TOTAL	\$ 31,973,211	\$ 6,940,397	\$ 25,032,814	\$ -	-

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Investments (Continued)

Investments (Continued)

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in external investment pools. Illinois Funds and the Illinois Metropolitan Investment Fund are both rated AAA. The U.S. Agency Obligations are all unrated. The negotiable certificates of deposit, for those rated, range in ratings from A+ to BB-, but are covered by FDIC insurance.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investment could be sold.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. Illinois Funds and the Illinois Metropolitan Investment Fund are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At December 31, 2006, the Village had greater than five percent of its overall portfolio invested in U.S. Agency Obligations and Negotiable Certificates of Deposit. The Village's investment policy requires diversification of investment to avoid unreasonable risk but has no set percentage limits. Therefore, the Village is in compliance with its investment policy.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments

The Police Pension Fund's investment policy authorizes the Police Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, interest bearing obligations of the U.S. Treasury and U.S. Agencies, interest bearing bonds of the State of Illinois or any county, township or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. Agencies, separate accounts managed by life insurance companies, Mutual Funds, common and preferred stock and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

It is the policy of the Police Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Police Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, rate of return, public trust and liquidity.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Police Pension Fund's deposits may not be returned to it.

The Police Pension Fund policy does not require collateralization. However, all deposits at December 31, 2006 are covered by Federal Depository Insurance.

Investments

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2006:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 9,761,087	\$ -	\$ 3,669,362	\$ 4,879,709	\$ 1,212,016
Municipal Bonds	192,558	-	-	192,558	-
U.S. Agency Obligations	2,263,896	-	501,844	1,483,352	278,700
Money Market Mutual Funds	2,655,069	2,655,069	-	-	-
Mutual Funds	12,851,615	12,851,615	-	-	-
Illinois Metropolitan Investment Fund	544	544	-	-	-
Illinois Funds	4,944	4,944	-	-	-
TOTAL	\$ 27,729,713	\$ 15,512,172	\$ 4,171,206	\$ 6,555,619	\$ 1,490,716

2. DEPOSITS AND INVESTMENTS (Continued)

b. Police Pension Investments (Continued)

Investments (Continued)

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing U.S Treasury Obligations and other Obligations which are rated in the top three classes by a national rating agency. Illinois Funds, the Illinois Metropolitan Investment Fund, and the Money Market Mutual Funds are not rated. The U.S. Agency Obligations, for those rated, range in rating from AAA to not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be held in a trust department through book-entry at the Depository Trust Company with an approved written agreement.

Concentration of credit risk is the risk that the Police Pension Fund has a high percentage of their investments invested in one type of investment. The Police Pension Fund's investment policy requires diversification of investment to avoid unreasonable risk. All investments should be in a range of 0 - 45%. All investments fall within their acceptable ranges at December 31, 2006. At December 31, 2006, the Police Pension Fund had greater than five percent of its overall portfolio invested in U.S. Agency Obligations which is in accordance with the Police Pension Fund's investment policy.

c. Firefighters' Pension Investments

The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to invest in all investments allowed by Illinois Compiled Statutes. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and Illinois Funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value).

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

It is the policy of the Firefighters' Pension Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Firefighters' Pension Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and return on investment.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Firefighters Pension Fund's deposits may not be returned to it.

The Firefighters' Pension Fund policy does not require collateralization. However, all deposits at December 31, 2006 are covered by Federal Depository Insurance.

Investments

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2006:

Investment Type	Fair Value	Investment Maturities in Years			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 8,515,270	\$ -	\$ 1,542,951	\$ 6,657,010	\$ 315,309
U.S. Agency Obligations	4,137,147	823,189	1,544,681	1,309,399	459,878
Municipal Bonds	807,828	-	307,497	500,331	-
Money Market Mutual Funds	10,540,496	10,540,496	-	-	-
Mutual Funds	152,608	152,608	-	-	-
Illinois Funds	607,274	607,274	-	-	-
TOTAL	\$ 24,760,623	\$ 12,123,567	\$ 3,395,129	\$ 8,466,740	\$ 775,187

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury Obligations and obligations rated in the top three classes by a national rating agency. The U.S. Agency Obligations (for those rated), Municipal Bonds, and Illinois Funds are all rated AAA.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

c. Firefighters' Pension Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund's requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held in a custodial account with the trust department of an approved financial institution.

Concentration of credit risk is the risk that the Firefighters' Pension Fund has a high percentage of their investments invested in one type of investment. All investments should be in a range up to 50%. At December 31, 2006, the Firefighters' Pension Fund had greater than five percent of its overall portfolio invested in U.S. Agency Obligations, which is in accordance with the Firefighters' Pension Fund's investment policy.

3. RECEIVABLES

The following receivables are included in Due from Other Governments on the Statement of Net Assets at December 31, 2006:

GOVERNMENTAL ACTIVITIES	
Motor fuel tax	\$ 93,770
Grants	88,174
	<hr/>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 181,944</u>

The following receivables are included in Other Receivables on the Statement of Net Assets:

GOVERNMENTAL ACTIVITIES	
Court fines	\$ 39,124
Franchise fees	36,413
Hotel/motel tax	42,165
Food and beverage tax	91,045
Unbilled SWANCC fees	28,054
Ambulance fees	26,791
SWANCC service charge	25,333
Solid waste	49,946
Utility taxes	236,952
Miscellaneous	285,592
	<hr/>
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 861,415</u>
BUSINESS-TYPE ACTIVITIES	
Miscellaneous	<u>\$ 1,769</u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2006 was as follows:

	Beginning Balance, Restated	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 11,311,874	\$ 790,000	\$ -	\$ 12,101,874
Land right of way	11,561,342	-	-	11,561,342
Construction in progress	211,744	579,033	211,744	579,033
Total capital assets not being depreciated	23,084,960	1,369,033	211,744	24,242,249
Capital assets being depreciated				
Buildings and improvements	13,561,835	711,818	-	14,273,653
Vehicles, equipment, and furniture	6,529,536	682,769	514,331	6,697,974
Infrastructure	21,123,279	1,228,782	-	22,352,061
Total capital assets being depreciated	41,214,650	2,623,369	514,331	43,323,688
Less accumulated depreciation for				
Buildings and improvements	3,626,539	394,002	-	4,020,541
Vehicles, equipment, and furniture	4,942,865	434,915	502,304	4,875,476
Infrastructure	10,819,480	945,464	-	11,764,944
Total accumulated depreciation	19,388,884	1,774,381	502,304	20,660,961
Total capital assets being depreciated, net	21,825,766	848,988	12,027	22,662,727
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 44,910,726	\$ 2,218,021	\$ 223,771	\$ 46,904,976
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 588,581	\$ -	\$ -	\$ 588,581
Construction in progress	-	293,848	-	293,848
Total capital assets not being depreciated	588,581	293,848	-	882,429
Capital assets being depreciated				
Waterworks	31,128,253	1,846,762	-	32,975,015
Sewerage	15,754,266	619,479	-	16,373,745
Equipment and vehicles	1,982,395	82,742	192,839	1,872,298
Total capital assets being depreciated	48,864,914	2,548,983	192,839	51,221,058
Less accumulated depreciation for				
Waterworks	7,427,938	524,596	-	7,952,534
Sewerage	4,118,627	247,138	-	4,365,765
Equipment and vehicles	1,300,307	135,750	191,788	1,244,269
Total accumulated depreciation	12,846,872	907,484	191,788	13,562,568
Total capital assets being depreciated, net	36,018,042	1,641,499	1,051	37,658,490
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	\$ 36,606,623	\$ 1,935,347	\$ 1,051	\$ 38,540,919

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

Beginning net assets for governmental activities were reduced by \$73,801 to record capital assets in accordance with the Village's capitalization threshold.

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 258,853
Public safety	294,588
Highways and streets	<u>1,220,940</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 1,774,381</u>
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5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

b. Changes in General Long-Term Debt

A summary of changes in long-term debt of the Village for the year ended December 31, 2006 is as follows:

Issue	Fund Debt Retired By	Balances January 1	Accretion/ Additions	Reductions	Balances December 31	Current
General Obligation Bond, Series 1999A (dated June 15, 1999; maturing December 15, 2009; original issue \$3,000,000; interest rates 4.25% - 4.35%; principal payable annually on December 15).	Debt Service	\$ 1,375,000	\$ -	\$ 325,000	\$ 1,050,000	\$ 335,000
General Obligation Bond, Series 2001 (dated June 15, 2001; maturing December 15, 2012; original issue \$3,000,000; interest rates 4.25% - 4.45%; principal payable annually on December 15).	Debt Service	2,000,000	-	300,000	1,700,000	310,000

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt (Continued)

Issue	Fund Debt Retired By	Balances January 1	Accretion/ Additions	Reductions	Balances December 31	Current
General Obligation Bond, Series 2003 (dated February 1, 2003; maturing December 15, 2011; original issue \$4,595,000; interest rates 1.50% - 3.00%; principal payable annually on December 15).	Crossroad Redevelop- ment Area/ Debt Service	\$2,625,000	\$ -	\$ 1,255,000	\$ 1,370,000	\$ 660,000
General Obligation Bond (Capital Appreciation), Series 2003B (dated July 1, 2003; maturing December 15, 2022; original issue \$1,155,475; interest rates 2.40% - 4.90%; principal payable annually on December 15).	North Milwaukee Redevelop- ment Area/ Crossroad Redevelop- ment Area	1,272,308	50,598*	-	1,322,906	-
General Obligation Bond Series 2004A (dated April 15, 2004; maturing December 15, 2023; original issue \$8,000,000; interest rates 2.70% - 4.70%; principal payable annually on December 15).	Capital Projects/ North Milwaukee Redevelop- ment Area	8,000,000	-	-	8,000,000	350,000
General Obligation Sales Tax Bond Series 2005 (dated September 1, 2005; maturing December 1, 2024; original issue \$5,140,000; interest rates 4.00% - 4.25%; principal payable annually on December 1).	General Fund Sales Tax	5,140,000	-	-	5,140,000	-
		<u>\$20,412,308</u>	<u>\$ 50,598</u>	<u>\$ 1,880,000</u>	<u>\$ 18,582,906</u>	<u>\$ 1,655,000</u>
Tax Increment Revenue Bond Series 2005 (dated August 25, 2005; maturing January 1, 2025; original issue \$19,000,000; interest rates 6.00% ; principal payable annually on January 1).	North Milwaukee /Lake Cook Redevelopme nt Area	\$19,000,000	\$ -	\$ -	\$ 19,000,000	\$ -

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

b. Changes in General Long-Term Debt (Continued)

Issue	Fund Debt Retired By	Balances January 1	Accretion/ Additions	Reductions	Balances December 31	Current
General Obligation Bond, Series 1999B (dated June 15, 1999; maturing December 15, 2009; original issue \$1,705,000; interest rates 4.250% - 4.355%; principal payable annually on December 15).	Waterworks and Sewerage	\$ 1,110,000	\$ -	\$ 280,000	\$ 830,000	\$ 285,000
General Obligation Bond, Series 2003A (dated July 1, 2003; maturing December 15, 2018; original issue \$2,250,000; interest rates 2.25% - 4.00%; principal payable annually on December 15).	Waterworks and Sewerage	2,125,000	-	125,000	2,000,000	125,000
		<u>\$ 3,235,000</u>	<u>\$ -</u>	<u>\$ 405,000</u>	<u>\$ 2,830,000</u>	<u>\$ 410,000</u>

* includes \$50,598 of accretion.

c. Legal Debt Margin

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ 1,655,000	\$ 688,677	\$ 2,343,677	\$ 410,000	\$ 98,077	\$ 508,077
2008	1,410,000	638,613	2,048,613	400,000	83,151	483,151
2009	1,470,000	586,602	2,056,602	395,000	68,494	463,494
2010	1,145,000	530,586	1,675,586	125,000	53,625	178,625
2011	1,190,000	487,270	1,677,270	150,000	50,500	200,500
2012	660,000	441,484	1,101,484	150,000	46,000	196,000
2013	680,000	415,904	1,095,904	200,000	41,500	241,500
2014	710,000	387,864	1,097,864	200,000	35,500	235,500
2015	740,000	358,584	1,098,584	200,000	29,200	229,200
2016	770,000	327,846	1,097,846	200,000	22,700	222,700
2017	800,000	295,858	1,095,858	200,000	16,000	216,000
2018	840,000	262,634	1,102,634	200,000	8,000	208,000
2019	870,000	227,490	1,097,490	-	-	-
2020	910,000	190,550	1,100,550	-	-	-
2021	955,000	151,350	1,106,350	-	-	-
2022	995,000	109,177	1,104,177	-	-	-
2023	1,040,000	64,930	1,104,930	-	-	-
2024	420,000	17,850	437,850	-	-	-
TOTAL	\$ 17,260,000	\$ 6,183,269	\$ 23,443,269	\$ 2,830,000	\$ 552,747	\$ 3,382,747

Year Ending December 31,	Tax Increment Revenue Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2007	\$ -	\$ 1,140,000	\$ 1,140,000	\$ 44,985	\$ 5,015	\$ 50,000
2008	-	1,140,000	1,140,000	64,834	10,166	75,000
2009	-	1,140,000	1,140,000	82,835	17,165	100,000
2010	255,000	1,132,350	1,387,350	78,698	21,302	100,000
2011	445,000	1,111,350	1,556,350	74,948	25,052	100,000
2012	600,000	1,080,000	1,680,000	71,097	28,903	100,000
2013	710,000	1,040,700	1,750,700	84,407	40,593	125,000
2014	780,000	996,000	1,776,000	79,488	45,512	125,000
2015	865,000	946,650	1,811,650	75,017	49,983	125,000
2016	970,000	891,600	1,861,600	84,710	65,290	150,000
2017	1,060,000	830,700	1,890,700	80,043	69,957	150,000
2018	1,185,000	763,350	1,948,350	75,486	74,514	150,000
2019	1,295,000	688,950	1,983,950	71,049	78,951	150,000
2020	1,410,000	607,800	2,017,800	66,744	83,256	150,000
2021	1,545,000	519,150	2,064,150	62,577	87,423	150,000
2022	1,690,000	422,100	2,112,100	58,557	91,443	150,000
2023	1,830,000	316,500	2,146,500	-	-	-
2024	2,050,000	200,100	2,250,100	-	-	-
2025	2,310,000	69,300	2,379,300	-	-	-
TOTAL	\$ 19,000,000	\$ 15,036,600	\$ 34,036,600	\$ 1,155,475	\$ 794,525	\$ 1,950,000

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in liabilities reported in the Governmental Activities:

	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 20,412,308	\$ 50,598	\$ 1,880,000	\$ 18,582,906	\$ 1,655,000
Tax increment revenue bonds payable	19,000,000	-	-	19,000,000	-
Discount on bonds payable	(145,444)	-	(8,056)	(137,388)	-
Compensated absences payable - Governmental funds	1,526,252	376,974	101,284	1,801,942	119,221
TOTAL GOVERNMENTAL ACTIVITIES	\$ 40,793,116	\$ 427,572	\$ 1,973,228	\$ 39,247,460	\$ 1,774,221

Business-Type Activities

	Balances January 1	Issuances or Accretions	Reductions	Balances December 31	Current Portion
General obligation bonds payable	\$ 3,235,000	\$ -	\$ 405,000	\$ 2,830,000	\$ 410,000
Compensated absences	109,272	117,084	109,272	117,084	117,084
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 3,344,272	\$ 117,084	\$ 514,272	\$ 2,947,084	\$ 527,084

f. Conduit Debt

Illinois municipalities have the authority to issue a limited amount of industrial development bonds to further economic development. The purpose of issuance is to provide assistance to a developer in the acquisition, purchase, construction, reconstruction, or improvement of certain qualified development projects.

Industrial development bonds are not a debt of the Village. The entity using the bond proceeds to finance the project is liable for the bonds. Since the Village does not act as an agent for the industrial development bonds, the transactions relating to the bonds and project do not appear in the Village's financial statements.

The amount of conduit debt (industrial revenue bonds) outstanding at December 31, 2006 is as follows:

Issue	Issue Date	Amount Outstanding
Circuit Service Project	April 20, 1998	\$ 1,400,000
Woodland Creek Apartments II Housing Project	May 25, 1990	17,655,000

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

g. Airport Revenue Notes

On December 27, 2006, the Village issued \$4,700,000 Airport Revenue Notes, Series 2006. These notes are special, limited obligations payable solely from the Chicago Executive Airport Commission revenues and do not constitute an indebtedness of the Village. (See also Note #10c which does not include these Notes as they were issued subsequent to the most recent audited financial statements of the Commission). Accordingly, these notes are not reported as a liability in the Village's financial statements. As of December 31, 2006, \$4,700,000 of the Airport Revenue Notes, Series 2006 are outstanding.

6. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters.

Beginning January 1, 2000, the Village self-insured for general liability, property, and workers' compensation claims and established a risk financing fund (Liability Insurance Fund) (the Fund) for these risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. For 2005 and 2006, the Village is responsible for the first \$50,000 of each property claim and \$100,000 for each liability claim. In addition, for 2005, the Village covers the first \$350,000 of each workers' compensation claim, up to an aggregate (for all claims) of \$750,000. For 2006, the Village covers the first \$400,000 of each workers' compensation claim, up to an aggregate (for all claims) of \$800,058. The Village purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims did not exceed the Fund's coverage, and the commercial coverage was not exceeded in the past three fiscal years.

All funds of the Village participate and make payments to the Fund based upon estimates of the amounts needed to pay prior and current-year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the years ended December 31, 2006 and 2005 are as follows:

	2006	2005
UNPAID CLAIMS - BEGINNING OF YEAR	\$ 875,174	\$ 345,609
Incurred claims (including IBNR)	804,180	1,121,993
Claims payments	(658,226)	(592,428)
UNPAID CLAIMS - END OF YEAR	\$ 1,021,128	\$ 875,174

6. RISK MANAGEMENT (Continued)

Intergovernmental Personnel Benefit Cooperative (IPBC)

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi-governmental, and nonprofit public service entities. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. Through the IPBC, the Village offers both a PPO plan and an HMO plan. For those employees enrolled in the PPO plan, the Village is responsible for the first \$25,000 in claims for each individual employee participant every claim year. The members of IPBC share claims (for each individual employee) between \$25,000 and \$125,000. IPBC maintains stop-loss insurance to cover claims in excess of \$125,000. Approximately 56% of the Village's employees and retirees are PPO participants.

The HMO plan is also self-insured through a special arrangement. Members of IPBC pay for fixed costs of capitation and administration and then fund for claims not covered under the capitation fee. This plan is fully pooled and the Village is not individually rated based on claims experience. All members of the IPBC pay the same rates based on plan design choices. Approximately 43% of the Village's employees and retirees are HMO participants. Approximately 1% of the Village's employees and retirees are not enrolled in either plan.

The Village makes payments to IPBC monthly based on its participation in the plan. The rates per individual participant are determined annually based on each member's prior experience within the pool and projected future claims. This rate also includes a provision for the cost of excess insurance purchased by IPBC. The Village also makes monthly payments to IPBC for administration of the plan. The Village had terminal reserve balances held for run out claims at IPBC on June 30, 2006 of \$1,540,224. However, this is not recorded as an asset on the financial statements in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

7. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

c. Chicago Executive Airport Commission (CEAC)

The Village's contract with the Chicago Executive Airport Commission provides that each member is liable for its proportional share of any costs arising from defaults in payment obligations by other members.

e. Northwest Water Commission (NWWC)

The Village's water purchase contract with the Northwest Water Commission provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

f. Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with the Solid Waste Agency of Northern Cook County provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS

a. Northwest Water Commission (NWWC)

The Village has committed to purchase water from the NWWC. The Village expects to pay the following minimum amounts:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2007	\$ 1,750,000
2008	1,785,000
2009	1,820,700
2010	1,857,114
2011	1,894,256
2012 - 2016	10,054,941

These amounts have been calculated using the Village's current allocation percentage of 18.47%. In future years, this allocation percentage will be subject to change.

NWWC has entered into water supply agreements with four member municipalities. The agreements are irrevocable and may not be terminated or amended except as provided in the general resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by NWWC of its obligations under this agreement.

b. Solid Waste Agency of Northern Cook County (SWANCC)

The Village has committed to pay its share of the annual operating costs and fixed costs of SWANCC. The Village's share of dual costs is funded through user fees collected by refuse haulers. The Village expects to pay the following amounts:

<u>Fiscal Year Ending December 31,</u>	<u>Amount</u>
2007	\$ 617,267
2008	638,871
2009	661,232
2010	684,375
2011	708,328
2012	733,120

These amounts have been calculated using the Village's allocation percentage of 4.52%. In future years, the allocation percentage will be subject to change.

9. JOINT VENTURES

a. Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members.

SWANCC is governed by a board of directors which consists of the mayor or president from each member municipality. Each director has an equal vote. The officers of SWANCC are appointed by the board of directors. The board of directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Solid Waste Agency of Northern Cook County administrative office at 1616 East Golf Road, Des Plaines, Illinois 60016.

SWANCC's outstanding bonds are revenue obligations. They are limited obligations of SWANCC with a claim for payment solely from and secured by a pledge of the revenues of the system and amounts in various funds and accounts established by SWANCC resolutions. The bonds are not the debt of any member. SWANCC has no power to levy taxes.

Revenues of the system consist of (1) all receipts derived from solid waste disposal contracts or any other contracts for the disposal of waste; (2) all income derived from the investment of monies; and (3) all income, fees, service charges and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a "take or pay" basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

9. JOINT VENTURES (Continued)

a. Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

In accordance with the contract, the Village made payments totaling \$726,559 to SWANCC for the year ended December 31, 2006. The payments have been recorded in the General Fund. The Village does not have an equity interest in SWANCC at December 31, 2006.

b. Northwest Water Commission (NWWC)

Description of Joint Venture

The Village is a member of the Northwest Water Commission (NWWC) which consists of four municipalities. NWWC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. NWWC is empowered to plan, construct, improve, extend, acquire, finance, operate, and maintain a water supply system to serve its members and other potential water purchasers.

NWWC is governed by a board of commissioners which consist of one appointed representative from each member municipality. Each commissioner has an equal vote. The officers of NWWC are appointed by the board of commissioners. The board of commissioners determines the general policy of NWWC, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Water Commission, 1525 North Wolf Road, Des Plaines, Illinois 60016.

Revenues of the system consist of (1) all receipts derived from the Water Supply Agreements or any other contract for the supply of water; (2) all income derived from the investment of monies; and (3) all income, fees, water service charges and all grants, rents and receipts derived by NWWC from the ownership and operation of the system and the sale of water. NWWC covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

NWWC has entered into water supply agreements with the four member municipalities for a term of forty years, extending to 2022. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual quantity of water.

9. JOINT VENTURES (Continued)

b. Northwest Water Commission (NWWC) (Continued)

Description of Joint Venture (Continued)

NWWC has entered into an agreement with the City of Evanston under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2020.

The obligation of the Village to make payments required by this agreement is payable from the Village's Water and Sewer Fund.

In accordance with the joint venture agreement, the Village remitted \$1,571,459 to NWWC for the year ended December 31, 2006. The Village has an equity interest in NWWC in the amount of \$7,027,741 as of December 31, 2006.

c. Chicago Executive Airport Commission (CEAC)

Description of Joint Venture

The Village is a member of the Chicago Executive Airport Commission, a proprietary joint venture, which consists of two municipalities. CEAC is a joint airport commission established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). CEAC is empowered under the Act to acquire, organize, operate, and maintain an airport to serve its members and other potential airport customers. CEAC is an intergovernmental cooperative created under Illinois law to allow the City of Prospect Heights, Illinois and the Village (collectively referred to as member municipalities) joint ownership and administration of the airport.

The member municipalities have entered into agreements with the Federal Aviation Administration of the United States of America and the State of Illinois to sponsor projects for the acquisition and development of the airport. Although assets are legally held in the name of the member municipalities, such assets are recorded in CEAC's financial statements to present the overall financial position and operations of the airport. Airport revenues are solely restricted to funding airport development and airport maintenance expenses. The duration of CEAC shall be for the term of 20 years or the useful life of the airport, whichever is longer, unless sooner terminated and dissolved by mutual agreement of the member municipalities or by operation of law.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport Commission (CEAC) (Continued)

Description of Joint Venture (Continued)

The two members of CEAC and their percentage shares as of the date of this report are:

	<u>Percent Share</u>
City of Prospect Heights	50%
Village of Wheeling	<u>50%</u>
TOTAL	<u>100%</u>

CEAC is governed by a Board of Commissioners, which consists of eight commissioners, four from each member municipality. Each Commissioner has an equal vote. The officers of CEAC are appointed by the Board of Commissioners. The member municipalities jointly determine the general policy of CEAC; make all appropriations; approve contracts in excess of \$10,000; adopt resolutions providing for the issuance of Bonds or notes by CEAC; adopt bylaws and rules and regulations; and exercise such powers and perform such duties as may be prescribed in the commission agreement of the bylaws. The Board of Commissioners acts primarily in a "management" capacity.

Summary of Financial Information of Joint Venture

Summary of financial position as of April 30, 2006, the most recent information available:

ASSETS	
Current assets	\$ 4,969,155
Capital assets	85,228,282
Construction in progress	587,681
Other assets	<u>493,069</u>
Total assets	<u>91,278,187</u>
LIABILITIES	
Current liabilities	564,794
Long-term liabilities	<u>1,137,791</u>
Total liabilities	<u>1,702,585</u>
NET ASSETS	<u>\$ 89,575,602</u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. JOINT VENTURES (Continued)

c. Chicago Executive Airport Commission (CEAC) (Continued)

Summary of Financial Information of Joint Venture (Continued)

Summary of revenues, expenses, and changes in net assets for the year ended
April 30, 2006:

Total revenues	\$ 3,267,642
Total expenses	<u>3,213,070</u>
Net income before capital contributions	54,572
Capital contributions	<u>3,611,925</u>
Change in net assets	<u>3,666,497</u>
Net assets	
May 1, 2005	<u>85,909,105</u>
April 30, 2006	<u><u>\$ 89,575,602</u></u>

Complete financial statements can be obtained from the Chicago Executive Airport Commission, 1020 South Plant Road, Wheeling, Illinois 60090.

At April 30, 2006, the Village's proportionate share of net assets and change in net assets were \$44,787,802 and \$1,833,249, respectively.

The Village made no payments to CEAC for the year ended December 31, 2006.

10. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
Fiduciary	General	\$ 9,857
General	Nonmajor Governmental	89,434
Crossroads Redevelopment Area	Nonmajor Governmental	105,005
Nonmajor Governmental	General	12,276
General	Fiduciary	<u>122</u>
TOTAL		<u><u>\$ 216,694</u></u>

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Due From/To Other Funds (Continued)

The purposes of the Due To/Due From other funds are as follows:

- \$12,276 due from General Fund to Motor Fuel Tax Fund for November and December interest. Repayment is expected within one year.
- \$89,434 due from Grant Fund to General Fund for short-term cash deficit. Repayment is expected within one year.
- \$105,005 due from Town Center TIF to Crossroads Redevelopment Area for short-term cash deficit. Repayment is expected within one year.
- \$9,857 due from General Fund to Fiduciary funds (Police and Fire Pension Funds) for property taxes not yet remitted. Repayment is expected within one year.
- \$122 due from Fiduciary funds (Police and Fire Pension Funds) to General Fund for the December trust management fee. Repayment is expected within one year.

b. Advances From/To Other Funds

Advances From/To Other Funds at December 31, 2006 consisted of the following:

Receivable Fund	Payable Fund	Amount
Waterworks and Sewerage	Nonmajor Governmental	<u>\$ 850,429</u>

The purposes of the Advances From/To other funds are as follows:

- \$850,429 advance from the Waterworks and Sewerage Fund to nonmajor governmental funds. This balance relates to an advance to the Capital Equipment Replacement Fund for future replacement of equipment. Repayment is not expected within one year.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers

Interfund transfers between funds for the year ended December 31, 2006 were as follows:

	Transfers In	Transfers Out
General		
Nonmajor Governmental (Capital Equipment Replacement)	\$ -	\$ 516,206
Nonmajor Governmental (Capital Projects)	-	30,000
Internal Service	-	370,000
Total General	-	916,206
Crossroads Redevelopment Area		
Nonmajor Governmental (Debt Service)	-	503,630
North Milwaukee/Lake Cook Redevelopment Area	-	2,640,000
Total Crossroads Redevelopment Area	-	3,143,630
North Milwaukee/Lake Cook Redevelopment Area		
Crossroads Redevelopment Area	2,640,000	-
Nonmajor Governmental (Debt Service)	-	1,037
Total North Milwaukee/Lake Cook Redevelopment Area	2,640,000	1,037
Nonmajor Governmental		
General	516,206	-
Nonmajor Governmental	964,903	60,236
Total Nonmajor Governmental	1,481,109	60,236
TOTAL	\$ 4,121,109	\$ 4,121,109

The purpose of significant transfers is as follows:

- \$516,206 transferred to the Capital Equipment Replacement Fund from the General Fund for equipment purchases. This transfer will not be repaid.
- \$503,630 transferred to the Debt Service Fund from the Crossroads Development Area for 2003 General Obligation Refunding Bond. This transfer will not be repaid.
- \$370,000 transferred to the Internal Service Fund (Liability Insurance) from the General Fund for fund balance deficit. This transfer will not be repaid.
- \$30,000 transferred to the Capital Projects Fund from the General Fund for the Village's sidewalk fund for the proposed sidewalk along the Pactiv Corporation's frontage on Wheeling Road. This transfer will not be repaid.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES (Continued)

c. Interfund Transfers (Continued)

- \$2,640,000 transferred to the North Milwaukee/Lake Cook Redevelopment Area from the Crossroads Development Area for bond payments related to the Westin Hotel Development Bonds. This transfer will not be repaid.
- \$60,236 transferred to the Capital Equipment Replacement Fund from the Emergency Telephone System Fund for equipment purchases. This transfer will not be repaid.

d. Deficit Fund Balance/Net Assets

The following funds had deficit fund balance/net assets at December 31, 2006:

<u>Fund</u>	<u>Balance</u>
Town Center TIF	<u>\$ 122,099</u>

11. OTHER POSTEMPLOYMENT BENEFITS

The postemployment benefit provisions for sworn police, records clerks, radio operators, firefighters, and public works non-supervisory employees are negotiated and stipulated in their applicable contract. The benefits for all other employees are included in the Village's personal policy manual.

To qualify for Village paid health insurance benefits, a retiree must have eight or more years of continuous employment with the Village immediately prior to retirement, have attained the minimum retirement age to receive payments from their applicable pensions, and must be receiving a pension payment. Currently 70 retirees meet those eligibility requirements. The Village pays for a portion or all of the cost of the retiree's health insurance premiums depending on which of the following circumstances apply:

- The Village pays 93.5% of the health insurance premiums for all sworn police officers, records clerks, and radio operators hired before August 15, 1981 and retired after August 7, 1995.
- The Village pays 100% of the health insurance premiums for all sworn police officers, records clerks, and radio operators who were hired before August 15, 1981 and retired before August 7, 1995.
- The Village pays 100% of the health insurance premiums for all non-union employees, sworn firefighters, and public works union employees hired before August 15, 1981.

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Eligible retirees of all employee groups, with the exception of public works employees covered under contract, receive \$10,000 of life insurance until they reach age 60. Public works employees covered under contract are not provided with life insurance at retirement. The Village contributes 100% of the cost of the life insurance premiums for all eligible retirees.

The cost of retiree health care and life insurance benefits is recognized as an expenditure as premiums are paid. For the year ended December 31, 2006, the cost totaled \$387,317.

12. TERMINATION BENEFITS

On May 29, 2001, the Village adopted Resolution 01-120, adopting an Early Retirement Incentive Program Offered by the Illinois Municipal Retirement Fund (IMRF). Eligible employees were required to enter into an irrevocable pledge to retire by July 1, 2001. For an employee to be eligible to retire under this plan, the employee must have attained age fifty and have at least twenty years of creditable service by his or her retirement date. Seven employees of the Village accepted the early retirement agreement. Under the agreement, the Village and the employee were required to contribute an additional five years of contributions to the plan giving the individuals additional creditable service for these five years. The Village has amortized its additional contributions over a ten year period with interest charged annually on the remaining balance at 7.5%. These additional contributions are made through regular monthly contributions to IMRF. As of June 30, 2006 (most recent information available), the Village's remaining contributions due under the program were \$610,961. In accordance with GASB Statement 47, this amount is not reported as a liability on the Village's financial statements and is recorded through their IMRF plan under the rules prescribed in GASB Statement 27. The change in the actuarially accrued liability due to the early retirement incentive is not available from IMRF.

13. DEFINED BENEFIT PENSION PLANS

a. Plan Descriptions

Illinois Municipal Retirement Fund

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

All employees (other than those covered by the Police or Firefighters' plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2006 was 11.92% of covered payroll.

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund. The Police Pension Plan issues a separate report on the pension plan. This report can be obtained from the Village, 255 West Dundee Road, Wheeling, Illinois 60090. At December 31, 2006 the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	31
Current employees	
Vested	46
Nonvested	19
	<hr/>
TOTAL	96
	<hr/>

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Police Pension Plan. The costs of administering the Police Pension Plan are financed through investment earnings. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service costs for the Police Pension Plan. For the year ended December 31, 2006, the Village's contribution was 15.88% of covered payroll.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Firefighters' Pension Plan as a pension trust fund. The Firefighters' Pension Plan issues a separate report on the pension plan. This report can be obtained from the Village, 255 West Dundee Road, Wheeling, Illinois 60090. At December 31, 2006, the Firefighters' Pension Plan membership consisted of:

13. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	26
Current employees	
Vested	22
Nonvested	29
	<hr/>
TOTAL	77
	<hr/>

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75.00% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching the age of at least 55 by 3.00% of the original pension and 3.00% compounded annually thereafter.

Covered employees are required to contribute 8.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. Contributions are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Firefighters' Pension Plan. The costs of administering the Firefighters' Pension Plan are financed through investment earnings. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past services costs for the Firefighters' Pension Plan. For the year ended December 31, 2006, the Village's contribution was 8.76% of covered payroll.

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

b. Significant Investments

There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5.00% or more of plan net assets for either the Police or the Firefighters' Pension Plans. Information for the IMRF is not available.

c. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	December 31, 2004	December 31, 2004	December 31, 2004
Actuarial Cost Method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset Valuation Method	5 Year Smoothed Market	5 Year Smoothed Market	5 Year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll
Amortization Period	28 Years, Closed	28 Years, Closed	14 Years, Closed
Significant Actuarial Assumptions			
a) Rate of Return on Present and Future Assets	7.50% Compounded Annually	7.75% Compounded Annually	8.25% Compounded Annually
b) Projected Salary Increase - Attributable to Inflation	4.25% Compounded Annually	5.75% Compounded Annually	5.25% Compounded Annually
c) Additional Projected Salary Increases - Seniority/Merit	.40 to 11.60%	1.00%	1.00%
d) Post-Retirement Benefit Increases	3.00%	3.00%	3.00%

VILLAGE OF WHEELING, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. DEFINED BENEFIT PENSION PLANS (Continued)

c. Annual Pension Costs (Continued)

Employer annual pension cost (APC), actual contributions and the net pension obligation (asset) (NPO) are as follows. The NPO (asset) is the cumulative difference between the annual pension cost and the contributions actually made.

		Illinois Municipal Retirement		Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2004	\$ 790,980	2004	\$ 324,197	\$ 12,157
	2005	860,904	2005	672,015	214,234
	2006	962,287	2006	748,328	329,296
Actual Contribution	2004	\$ 790,980	2004	\$ 358,466	\$ -
	2005	860,904	2005	676,900	209,676
	2006	962,287	2006	735,844	333,032
Percentage of APC Contributed	2004	100.00%	2004	110.57%	-%
	2005	100.00	2005	100.73	97.87
	2006	100.00	2006	98.33	101.13
NPO (Asset)	2004	\$ -	2004	\$ (212,939)	\$ (131,530)
	2005	-	2005	(217,824)	(126,972)
	2006	-	2006	(205,340)	(130,708)

The net pension obligation (asset) as of December 31, 2006 has been calculated as follows:

	Police Pension	Firefighters' Pension
Annual required contribution	\$ 750,717	\$ 324,328
Interest on net pension obligation	(16,881)	(10,475)
Adjustment to annual required contribution	14,492	15,443
Annual pension cost	748,328	329,296
Contributions made	735,844	333,032
(Increase) decrease in net pension obligation (asset)	12,484	(3,736)
Net pension obligation (asset) beginning of year	(217,824)	(126,972)
NET PENSION OBLIGATION (ASSET), END OF YEAR	\$ (205,340)	\$ (130,708)

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Taxes	\$ 18,382,866	\$ 18,382,866	\$ 20,165,204	\$ 16,923,873
Licenses and permits	412,820	412,820	913,665	408,730
Intergovernmental	3,495,845	3,495,845	3,801,889	3,441,220
Charges for services	1,703,160	1,703,160	2,140,875	1,611,657
Fines and forfeits	370,500	370,500	377,745	392,758
Investment income	420,000	420,000	538,033	154,813
Miscellaneous	734,729	734,729	581,645	1,094,278
Total revenues	25,519,920	25,519,920	28,519,056	24,027,329
EXPENDITURES				
General government	9,625,195	9,625,195	9,501,709	9,351,086
Public safety	16,445,872	16,482,622	16,100,972	15,350,257
Total expenditures	26,071,067	26,107,817	25,602,681	24,701,343
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(551,147)	(587,897)	2,916,375	(674,014)
OTHER FINANCING SOURCE (USES)				
Proceeds on sale of capital assets	-	-	31,293	19,616
Transfers (out)				
Capital Equipment Replacement Fund	(516,206)	(516,206)	(516,206)	(485,201)
Grant Fund	-	(12,550)	(400,000)	-
2003 Capital Projects Fund	-	-	-	(13,180)
Total other finance sources (uses)	(516,206)	(528,756)	(884,913)	(478,765)
NET CHANGE IN FUND BALANCE	<u>\$ (1,067,353)</u>	<u>\$ (1,116,653)</u>	2,031,462	(1,152,779)
FUND BALANCE, JANUARY 1			14,190,769	15,343,548
FUND BALANCE, DECEMBER 31			<u>\$ 16,222,231</u>	<u>\$ 14,190,769</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF FUNDING PROGRESS

December 31, 2006

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2001	\$ 13,817,207	\$ 13,171,497	104.9%	\$ (645,710)	\$ 6,091,156	(10.6%)
2002	13,904,150	14,972,479	92.9%	1,068,329	6,342,694	16.8%
2003	15,141,453	17,191,670	88.1%	2,050,217	6,849,161	29.9%
2004	16,360,053	19,552,534	83.7%	3,192,481	7,569,192	42.2%
2005	18,423,517	20,935,974	88.0%	2,512,457	7,790,979	32.2%
2006	20,085,771	22,262,970	90.2%	2,177,199	8,072,875	27.0%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2006

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2002	\$ 22,119,125	\$ 21,890,914	101.0%	\$ (228,211)	\$ 3,743,911	(6.10%)
2003	23,259,701	24,038,718	96.8%	779,017	3,867,093	20.14%
2003*	24,164,489	24,078,185	100.4%	(86,304)	3,991,463	(2.16%)
2004	25,510,080	28,238,003	90.3%	2,727,923	4,180,652	65.25%
2005	27,157,866	30,634,278	88.7%	3,476,412	4,379,930	79.37%
2006	29,001,734	32,283,457	89.8%	3,281,723	4,635,028	70.80%

* The Village changed its fiscal year from April 30 to December 31, 2003.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF FUNDING PROGRESS

December 31, 2006

Actuarial Valuation Date December 31	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2002	\$ 22,852,370	\$ 18,363,089	124.4%	\$ (4,489,281)	\$ 2,772,132	(161.9%)
2003	23,967,952	20,344,905	117.8%	(3,623,047)	3,085,900	(117.4%)
2003*	24,914,722	21,987,567	113.3%	(2,927,155)	3,206,941	(91.3%)
2004	26,172,269	24,022,525	108.9%	(2,149,744)	3,479,663	(61.8%)
2005	27,522,371	26,211,991	105.0%	(1,310,380)	3,677,476	(35.6%)
2006	29,221,967	28,910,127	101.1%	(311,840)	3,801,296	(8.2%)

* The Village changed its fiscal year from April 30 to December 31, 2003.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2006

<u>Actuarial Valuation Date December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2001	\$ 402,625	\$ 402,625	100.00%
2002	391,978	391,978	100.00%
2003	519,166	519,166	100.00%
2004	790,980	790,980	100.00%
2005	860,904	860,904	100.00%
2006	962,287	962,287	100.00%

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2006

<u>Actuarial Valuation Date December 31,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2002	\$ 306,267	\$ 289,110	105.93%
2003	277,799	302,298	91.90%
2003*	302,927	243,075	124.62%
2004	358,466	325,619	110.09%
2005	676,900	674,900	100.30%
2006	735,844	750,717	98.02%

* The Village changed its fiscal year from April 30 to December 31, 2003.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

FIREFIGHTERS' PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

December 31, 2006

Actuarial Valuation Date <u>December 31,</u>	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2002	\$ 34,755	\$ -	N/A
2003	-	-	N/A
2003*	-	-	N/A
2004	-	-	N/A
2005	209,676	209,657	100.01%
2006	333,032	324,328	102.68%

* The Village changed its fiscal year from April 30 to December 31, 2003.

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2006

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Waterworks and Sewerage (Enterprise), Liability Insurance (Internal Service), and Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

All departments of the Village submit requests for appropriation to the Village Manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested appropriations for the next year. The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may only be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplementary appropriations were necessary.

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
Debt Service	\$ 50
South Milwaukee Redevelopment Area	60,272
Town Center TIF	1,126,085

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in another fund. The fund accounts for all revenues and expenditures in the following operating departments:

- Finance and Administrative Services
- Economic Development
- Municipal Building and Maintenance
- Municipal Vehicle Maintenance
- Community Development
- Senior Citizens Services
- Engineering
- Public Works Administration
- Police Department
- Fire Department

CAPITAL PROJECTS FUNDS

Crossroads Redevelopment Area Fund

This fund is used to account for the redevelopment activities of the tax increment financing district located near Milwaukee Avenue and Dundee Road.

North Milwaukee/Lake Cook Redevelopment Area Fund

This fund is used to account for the redevelopment activities of the tax increment financing district located near North Milwaukee Road.

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

BALANCE SHEET

December 31, 2006

(With Comparative Totals for December 31, 2005)

	2006	2005
ASSETS		
Cash and investments	\$ 12,844,791	\$ 11,307,185
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	7,930,200	6,903,833
Sales taxes	2,561,466	2,028,316
Income taxes	313,648	267,088
Telecommunications tax	476,901	516,449
Accrued interest	79,443	70,295
Other	624,463	398,390
Prepaid items	323,403	290,155
Inventory	201,593	170,594
Due from other funds	-	96,965
Due from fiduciary funds	89,556	-
TOTAL ASSETS	\$ 25,445,464	\$ 22,049,270
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 912,955	\$ 795,412
Accrued payroll	51,185	41,720
Deposits payable	295,890	110,407
Deferred revenue	7,941,070	6,903,684
Due to other funds	12,276	-
Due to fiduciary funds	9,857	7,278
Total liabilities	9,223,233	7,858,501
FUND BALANCES		
Reserved for prepaid items	323,403	290,155
Reserved for inventory	201,593	170,594
Reserved for senior committee	204,156	196,288
Reserved for sidewalks and trees	40,951	70,951
Unreserved		
Undesignated - General Fund	15,452,128	13,462,781
Total fund balances	16,222,231	14,190,769
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,445,464	\$ 22,049,270

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
TAXES				
Property taxes	\$ 5,781,000	\$ 5,781,000	\$ 5,759,879	\$ 5,760,831
Property taxes - Police Pension Fund	1,062,868	738,540	735,844	676,900
Property taxes - Firefighters' Pension Fund	-	324,328	333,032	209,676
TIF Surplus distribution	-	-	179,571	176,481
Sales tax	4,979,140	4,979,140	6,518,149	4,984,789
Home rule sales tax	3,651,410	3,651,410	3,877,296	2,785,416
Telecommunications tax	2,195,760	2,195,760	1,912,732	2,113,921
Food and beverage tax	658,488	658,488	652,464	155,385
Hotel/motel tax	45,000	45,000	181,359	50,450
Auto rental tax	9,200	9,200	14,878	10,024
Total taxes	18,382,866	18,382,866	20,165,204	16,923,873
LICENSES AND PERMITS				
Business licenses	60,000	60,000	44,486	58,594
Coin-operated licenses	10,000	10,000	7,668	10,865
Liquor licenses	50,000	50,000	64,989	51,719
Other licenses	35,370	35,370	65,589	36,667
Building permits	215,000	215,000	689,517	213,231
Other permits	42,450	42,450	41,416	37,654
Total licenses and permits	412,820	412,820	913,665	408,730
INTERGOVERNMENTAL				
Township property replacement tax	4,500	4,500	69,662	70,983
Personal property replacement tax	157,199	157,199	178,416	166,220
VOCA	-	-	-	120,448
TLEP Traffic	-	-	-	67,919
Local law enforcement block grant	-	-	-	35,652
FEMA grant	-	-	1,053	587
Income tax	2,790,942	2,790,942	3,047,017	2,574,239
State use tax	413,204	413,204	500,254	403,863
Police training	-	-	3,582	19
Fire training	-	-	657	-
Pull tabs and jar games tax	-	-	1,248	1,290
Safe communities program	130,000	130,000	-	-
Total intergovernmental	3,495,845	3,495,845	3,801,889	3,441,220

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
CHARGES FOR SERVICES				
Electrical inspections	\$ 62,500	\$ 62,500	\$ 84,539	\$ 54,545
Plumbing inspections	32,800	32,800	41,518	25,036
Engineering inspection fees	99,000	99,000	193,311	100,874
Solid waste service charge	600,000	600,000	618,087	554,046
SWANCC fees	260,000	260,000	236,384	229,851
Host community fees	50,000	50,000	51,665	50,000
Ambulance fees	320,000	320,000	349,621	311,910
Impounding fees	50	50	165	15
Plan review	74,000	74,000	300,252	68,632
Subdivision prefilling fees	1,000	1,000	2,792	950
Erosion control fees	800	800	1,422	797
Planning and zoning fees	6,600	6,600	9,716	5,814
Industrial revenue bond and 6(b) fees	1,200	1,200	31,813	600
Duplicating services	6,000	6,000	11,191	6,905
Maps and codes	500	500	593	579
False alarm fees	11,000	11,000	4,733	12,050
Pavilion senior center	22,700	22,700	22,179	21,929
Engineering blue prints	200	200	85	138
Monthly permit fee	13,000	13,000	21,614	13,593
Parking debt card	8,000	8,000	8,216	8,633
Daily parking fee	23,000	23,000	24,353	22,372
Parking permit hanger	50	50	99	62
Rental income	-	-	4,133	-
Police liaison reimbursement	108,460	108,460	119,078	119,401
CPR training fees	2,300	2,300	3,316	2,925
Total charges for services	1,703,160	1,703,160	2,140,875	1,611,657
FINES AND FORFEITS				
Court fines	260,000	260,000	180,257	250,170
Local ordinance fines	110,500	110,500	197,488	142,588
Total fines and forfeits	370,500	370,500	377,745	392,758
INVESTMENT INCOME				
Investment income	420,000	420,000	538,033	154,813

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
MISCELLANEOUS				
Cable TV franchise fees	\$ 291,118	\$ 291,118	\$ 318,049	\$ 286,709
Waste management franchise fees	75,000	75,000	77,498	75,000
Other franchise fees	31,000	31,000	32,946	31,762
Foreign fire insurance	-	-	46,373	46,545
Donations	50,000	50,000	26,936	54,716
Other	287,611	287,611	79,843	599,546
Total miscellaneous	734,729	734,729	581,645	1,094,278
TOTAL REVENUES	\$ 25,519,920	\$ 25,519,920	\$ 28,519,056	\$ 24,027,329

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT				
Village Manager's office and				
Board of Trustees	\$ 1,168,439	\$ 1,168,439	\$ 1,221,932	\$ 1,462,245
Finance	1,300,460	1,300,460	1,402,755	1,265,470
Human resources	250,218	250,218	223,906	251,875
Legal	388,650	388,650	406,166	336,473
Special events	197,450	197,450	254,929	234,680
Economic development	-	-	1,894	252,135
Solid waste system	731,101	731,101	727,321	690,962
Commuter parking system	55,810	55,810	41,441	42,999
Municipal building maintenance	880,566	880,566	786,145	715,580
Municipal vehicle maintenance	552,730	552,730	499,872	482,997
Community development	1,859,550	1,859,550	1,824,873	1,701,760
Senior citizens services	342,660	342,660	367,997	346,133
Pavilion programs	19,650	19,650	17,742	17,412
Engineering	956,971	956,971	928,117	878,630
Street division	1,411,760	1,411,760	1,291,706	1,194,533
Public works administration	428,240	428,240	423,973	369,492
Subtotal	10,544,255	10,544,255	10,420,769	10,243,376
Less Waterworks and Sewerage Fund reimbursements	919,060	919,060	919,060	892,290
Total general government	9,625,195	9,625,195	9,501,709	9,351,086
PUBLIC SAFETY				
Police Department	9,973,807	9,973,807	9,667,263	9,524,491
Fire Department	6,472,065	6,508,815	6,433,709	5,825,766
Total public safety	16,445,872	16,482,622	16,100,972	15,350,257
TOTAL EXPENDITURES	\$ 26,071,067	\$ 26,107,817	\$ 25,602,681	\$ 24,701,343

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT				
Village Manager's office and Board of Trustees				
Personnel services				
Salaries	\$ 373,745	\$ 373,745	\$ 448,115	\$ 289,793
Longevity	-	-	360	-
Training	250	250	230	-
Employer contribution	66,623	66,623	88,569	53,063
Health insurance	-	-	-	875
Total personnel services	440,618	440,618	537,274	343,731
Contractual services				
Advertising and publishing	5,000	5,000	4,283	5,082
Codification	4,500	4,500	7,039	7,379
Conferences and meetings	8,620	8,620	14,456	7,999
Consulting services	73,300	73,300	38,038	72,661
Data processing services	1,000	1,000	480	991
Energy	15,000	15,000	38,502	4,694
Employee group insurance	35,494	35,494	35,598	26,283
General liability insurance	16,160	16,160	16,160	8,970
Maintenance - office equipment	600	600	495	6
Maintenance - radio equipment	200	200	-	157
Membership dues	24,450	24,450	9,113	24,582
Newsletter	51,000	51,000	50,604	40,329
Postage	30,000	30,000	27,602	25,321
Printing and binding	2,000	2,000	1,003	1,110
Recording fees	-	-	70	182
Cellular service	2,200	2,200	2,934	2,539
Telecommunications	105,000	105,000	131,793	153,969
Retiree health insurance	20,860	20,860	15,188	17,488
Duplication services	15,000	15,000	11,574	14,320
IMF Settlement	-	-	-	335,522
Miscellaneous contracts	189,827	189,827	150,141	259,304
Regional and special agencies assessments	65,000	65,000	61,500	59,850
Total contractual services	665,211	665,211	616,573	1,068,738
Commodities				
Auto petrol products	-	-	102	-
Books and subscriptions	250	250	436	320
Information systems software	410	410	-	-
Small tools and equipment	500	500	652	4,771
Miscellaneous	1,250	1,250	3,380	3,182
Office supplies	1,200	1,200	1,210	1,735
Water and sewer service charges	8,000	8,000	-	9,377
Awards/decorations	26,000	26,000	21,775	16,406
Business recruitment	25,000	25,000	40,530	-
Total commodities	62,610	62,610	68,085	35,791

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT (Continued)				
Village Manager's office and Board of Trustees (Continued)				
Capital outlay				
Office equipment	\$ -	\$ -	\$ -	\$ 13,985
Total capital outlay	-	-	-	13,985
Total Village Manager's office and Board of Trustees	1,168,439	1,168,439	1,221,932	1,462,245
Finance				
Personnel services				
Overtime	1,000	1,000	4,076	2,226
Salaries	729,860	729,860	758,013	722,835
Longevity	2,400	2,400	2,400	2,400
Training	5,500	5,500	5,554	5,618
Employer contribution	142,550	142,550	142,609	130,019
Total personnel services	881,310	881,310	912,652	863,098
Contractual services				
Audit	35,660	35,660	31,916	30,883
Conferences and meetings	8,700	8,700	7,213	7,488
Consulting services	4,950	4,950	3,768	3,130
Data processing services	93,400	93,400	97,310	119,462
Employee group insurance	121,150	121,150	134,388	114,464
General liability insurance	54,120	54,120	54,120	53,610
Bank charges	8,160	8,160	22,633	12,614
Maintenance - office equipment	1,765	1,765	-	1,720
Membership dues	1,555	1,555	1,434	1,337
Printing and binding	5,000	5,000	6,440	5,781
Recording fees	-	-	-	32
Credit card fees	2,400	2,400	8,495	3,320
Cellular service	2,220	2,220	3,662	1,987
Retiree health insurance	14,620	14,620	14,456	14,292
Duplication services	3,000	3,000	3,179	1,026
Miscellaneous contracts	4,400	4,400	42,684	4,400
Total contractual services	361,100	361,100	431,698	375,546
Commodities				
Auto petrol products	-	-	22	-
Books and subscriptions	500	500	533	483
Information systems miscellaneous equipment and supplies	24,250	24,250	24,143	-
Information systems software	23,750	23,750	22,552	-
Small tools and equipment	950	950	2,146	17,495
Miscellaneous	600	600	964	793
Office supplies	6,600	6,600	6,717	6,627
Awards/decorations	1,400	1,400	1,328	1,428
Total commodities	58,050	58,050	58,405	26,826

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Finance (Continued)				
Capital outlay				
Transfer to CERF	\$ 23,088	\$ 23,088	\$ 23,088	\$ 22,263
Less transfer to CERF	(23,088)	(23,088)	(23,088)	(22,263)
Net capital outlay	-	-	-	-
Total finance	1,300,460	1,300,460	1,402,755	1,265,470
Human resources				
Personnel services				
Salaries	125,642	125,642	128,026	123,580
Training	4,500	4,500	110	772
Employer contribution	24,588	24,588	24,832	22,872
Total personnel services	154,730	154,730	152,968	147,224
Contractual services				
Advertising and publishing	7,500	7,500	8,334	9,265
Conferences and meetings	3,450	3,450	1,348	1,655
Consulting services	6,000	6,000	5,823	4,796
Employee group insurance	16,208	16,208	16,694	15,630
General liability insurance	9,050	9,050	9,050	8,970
Membership dues	1,980	1,980	1,871	1,570
Personnel services	35,000	35,000	14,625	44,675
Printing and binding	-	-	68	580
Medical exams	8,000	8,000	8,090	10,901
Total contractual services	87,188	87,188	65,903	98,042
Commodities				
Books and subscriptions	100	100	-	14
Small tools and equipment	-	-	-	3,392
Miscellaneous	300	300	51	-
Office supplies	1,000	1,000	1,650	1,158
Awards/decorations	6,900	6,900	3,334	2,045
Total commodities	8,300	8,300	5,035	6,609
Total human resources	250,218	250,218	223,906	251,875
Legal				
Personnel services				
Salaries	22,840	22,840	23,274	22,269
Longevity	-	-	240	-
Employer contribution	4,470	4,470	4,342	3,922
Total personnel services	27,310	27,310	27,856	26,191

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Legal (Continued)				
Contractual services				
Employee health insurance	\$ 4,840	\$ 4,840	\$ 4,926	\$ 4,678
Legal services	350,000	350,000	365,291	304,938
Recording fees	-	-	1,321	193
Duplication services	6,000	6,000	6,692	-
Miscellaneous contractual services	400	400	-	395
Total contractual services	361,240	361,240	378,230	310,204
Commodities				
Books and subscriptions	100	100	80	78
Total commodities	100	100	80	78
Total legal	388,650	388,650	406,166	336,473
Special events				
Personnel services				
Overtime	40,000	40,000	26,744	28,666
Seasonal help	5,440	5,440	220	3,728
Salaries	-	-	90	-
Employer contribution	110	110	1,965	2,319
Total personnel services	45,550	45,550	29,019	34,713
Contractual services				
Membership dues	400	400	286	272
Printing and binding	5,000	5,000	141	5,399
Rental equipment	4,500	4,500	5,030	6,461
Miscellaneous contractual services	135,000	135,000	207,570	167,468
Total contractual services	144,900	144,900	213,027	179,600
Commodities				
Auto petrol products	-	-	140	539
Small tools and equipment	-	-	1,020	4,058
Miscellaneous operating supplies	7,000	7,000	11,633	15,770
Awards	-	-	90	-
Total commodities	7,000	7,000	12,883	20,367
Total special events	197,450	197,450	254,929	234,680
Economic development				
Personnel services				
Salaries	-	-	-	160,504
Training	-	-	-	358
Employer contribution	-	-	-	29,150
Total personnel services	-	-	-	190,012

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT (Continued)				
Economic development (Continued)				
Contractual services				
Conferences and meetings	\$ -	\$ -	\$ -	\$ 3,096
Employee group insurance	-	-	1,894	22,268
General liability insurance	-	-	-	7,040
Membership dues	-	-	-	425
Printing and binding	-	-	-	2,284
Cellular service	-	-	-	525
Total contractual services	-	-	1,894	35,638
Commodities				
Auto petroleum products	-	-	-	2,394
Books and subscriptions	-	-	-	544
Vehicle maintenance	-	-	-	706
Miscellaneous operating supplies	-	-	-	125
Office supplies	-	-	-	1,096
Business recruitment	-	-	-	21,620
Total commodities	-	-	-	26,485
Total economic development	-	-	1,894	252,135
Solid waste system				
Contractual services				
Postage	300	300	150	600
Printing and binding	1,020	1,020	612	1,334
Regional and special agencies assessments	727,781	727,781	726,559	689,028
Total contractual services	729,101	729,101	727,321	690,962
Commodities				
Miscellaneous office supplies	2,000	2,000	-	-
Total solid waste system	731,101	731,101	727,321	690,962
Commuter parking system				
Contractual services				
Energy	15,000	15,000	14,208	13,559
Janitorial services	12,650	12,650	6,304	5,771
Landscape maintenance	4,500	4,500	1,225	2,305
Office equipment maintenance	4,000	4,000	454	389
printing and binding	-	-	655	-
Rental agreement	10,000	10,000	9,224	9,224
Tree maintenance services	500	500	-	-
Telecommunications	2,160	2,160	1,001	1,377
Miscellaneous contractual services	-	-	1,302	-
Total contractual services	48,810	48,810	34,373	32,625

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original	Final	Actual	2005
	Budget	Budget		
GENERAL GOVERNMENT (Continued)				
Commuter parking system (Continued)				
Commodities				
Janitorial supplies	\$ 500	\$ 500	\$ 467	\$ 709
Building and grounds maintenance	5,000	5,000	5,217	5,665
Miscellaneous operating supplies	1,500	1,500	1,205	4,000
Water and sewer services charges	-	-	179	-
Total commodities	7,000	7,000	7,068	10,374
Total commuter parking system	55,810	55,810	41,441	42,999
Municipal building maintenance				
Personnel services				
Overtime	13,500	13,500	5,390	15,077
Seasonal help	30,000	30,000	25,012	31,491
Salaries	366,100	366,100	331,879	305,858
Longevity	600	600	600	600
Training	3,500	3,500	3,935	2,826
Uniform allowance	2,800	2,800	2,452	2,355
Employer contribution	71,650	71,650	67,315	62,634
Total personnel services	488,150	488,150	436,583	420,841
Contractual services				
Conferences and meetings	1,100	1,100	444	899
Consulting services	15,000	15,000	16,580	11,393
Debris dump charges	2,500	2,500	426	1,054
Employee group insurance	68,630	68,630	62,422	57,302
General liability insurance	21,490	21,490	21,490	21,290
Janitorial services	106,786	106,786	89,758	77,183
Landscape maintenance	18,000	18,000	10,196	13,259
Maintenance - equipment	1,800	1,800	2,191	2,398
Maintenance - radio equipment	450	450	295	-
Engineering and design services	-	-	-	178
Printing and binding	500	500	514	41
Rental equipment	300	300	488	825
Rental agreement	-	-	-	(210)
Tree maintenance services	1,000	1,000	1,000	-
Retiree health insurance	3,660	3,660	3,616	3,576
Total contractual services	241,216	241,216	209,420	189,188
Commodities				
Auto petroleum products	7,100	7,100	6,050	5,402
Books and subscriptions	350	350	374	135
Chemicals	2,500	2,500	1,843	2,509
Janitorial supplies	17,000	17,000	18,376	16,244
Vehicle maintenance	5,000	5,000	5,377	4,239

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT (Continued)				
Municipal building maintenance (Continued)				
Commodities(Continued)				
Maintenance - buildings and grounds	\$ 49,000	\$ 49,000	\$ 26,705	\$ 51,636
Minor tools and equipment	10,550	10,550	10,257	7,874
Miscellaneous operating supplies	1,200	1,200	1,573	1,211
Protective clothing	2,500	2,500	2,472	2,443
Water and sewer services charges	-	-	11,115	-
Total commodities	95,200	95,200	84,142	91,693
Capital outlay				
Building equipment	56,000	56,000	56,000	13,858
Transfer to CERF	19,098	19,098	19,098	16,490
Less transfer to CERF	(19,098)	(19,098)	(19,098)	(16,490)
Net capital outlay	56,000	56,000	56,000	13,858
Total municipal building maintenance	880,566	880,566	786,145	715,580
Municipal vehicle maintenance				
Personnel services				
Overtime	8,000	8,000	4,784	8,583
Salaries	337,990	337,990	311,669	297,439
Longevity	2,400	2,400	2,400	2,400
Training	4,000	4,000	4,070	3,231
Uniform allowance	6,125	6,125	6,436	5,873
Employer contribution	66,150	66,150	61,595	58,016
Total personnel services	424,665	424,665	390,954	375,542
Contractual services				
Conferences and meetings	2,000	2,000	1,951	565
Consulting services	2,500	2,500	2,152	1,381
Debris dump charges	1,000	1,000	751	435
Employee group insurance	57,180	57,180	43,806	41,928
General liability insurance	25,740	25,740	25,740	25,500
Maintenance - office equipment and special equipment	7,600	7,600	4,421	3,970
Maintenance - radio equipment	450	450	56	-
Membership dues	525	525	625	480
Printing and binding	1,450	1,450	1,232	1,427
Rental equipment	150	150	-	-
Retiree health insurance	420	420	3,895	3,648
Total contractual services	99,015	99,015	84,629	79,334
Commodities				
Auto petroleum products	3,300	3,300	3,123	2,768
Books and subscriptions	1,500	1,500	1,312	1,758
Chemicals	1,850	1,850	1,741	1,836

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
GENERAL GOVERNMENT (Continued)				
Municipal vehicle maintenance (Continued)				
Commodities (Continued)				
Vehicle maintenance	\$ 3,500	\$ 3,500	\$ 2,727	\$ 2,955
Information systems miscellaneous equipment and supplies	1,750	1,750	1,491	-
Minor tools and equipment	9,950	9,950	9,949	11,733
Miscellaneous operating supplies	5,800	5,800	3,179	4,100
Protective clothing	1,400	1,400	767	1,518
Total commodities	29,050	29,050	24,289	26,668
Capital outlay				
Building equipment	-	-	-	1,453
Transfer to CERF	2,941	2,941	2,941	3,580
Less transfer to CERF	(2,941)	(2,941)	(2,941)	(3,580)
Net capital outlay	-	-	-	1,453
Total municipal vehicle maintenance	552,730	552,730	499,872	482,997
Community development				
Personnel services				
Overtime	5,000	5,000	652	4,630
Seasonal help	10,000	10,000	10,681	7,545
Salaries	1,133,330	1,133,330	1,108,463	1,065,390
Longevity	4,200	4,200	4,200	5,098
Training	6,500	6,500	9,175	4,726
Employer contribution	219,130	219,130	214,750	198,045
Health insurance	-	-	-	875
Total personnel services	1,378,160	1,378,160	1,347,921	1,286,309
Contractual services				
Advertising and publishing	5,000	5,000	5,257	6,426
Conferences and meetings	12,049	12,049	9,829	8,536
Consulting services	23,000	23,000	39,759	26,628
Data processing services	12,750	12,750	11,589	1,224
Exterminating services	4,954	4,954	4,215	4,338
Employee group insurance	180,390	180,390	173,069	156,426
General liability insurance	68,810	68,810	68,810	68,150
Maintenance - office equipment	3,950	3,950	4,330	14,078
Maintenance - radio equipment	500	500	508	750
Membership dues	3,138	3,138	2,771	2,976
Printing and binding	14,400	14,400	8,250	11,830
Recording fees	1,500	1,500	1,003	1,281
Rental agreements	50,400	50,400	54,444	54,956
Credit card fees	-	-	3,464	1,668
Cellular service	9,504	9,504	10,089	9,443
Medical examinations	250	250	-	-

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Community development (Continued)				
Contractual services (Continued)				
Retiree health insurance	\$ 20,250	\$ 20,250	\$ 9,988	\$ 13,477
Miscellaneous	1,000	1,000	4,163	-
Total contractual services	411,845	411,845	411,538	382,187
Commodities				
Auto petroleum products	11,200	11,200	9,403	8,072
Books and subscriptions	1,495	1,495	1,467	877
Health test supplies	300	300	251	259
Vehicle maintenance	4,000	4,000	3,573	3,797
Building and grounds maintenance	7,000	7,000	6,480	6,240
Information systems miscellaneous equipment and supplies	24,500	24,500	23,822	-
Information systems software	1,500	1,500	1,455	-
Minor tools and equipment	10,150	10,150	9,335	4,138
Miscellaneous operating supplies	4,000	4,000	3,996	2,999
Office supplies	5,400	5,400	5,632	6,650
Awards/decorations	-	-	-	232
Total commodities	69,545	69,545	65,414	33,264
Capital outlay				
Transfer to CERF	5,885	5,885	5,885	19,990
Less transfer to CERF	(5,885)	(5,885)	(5,885)	(19,990)
Net capital outlay	-	-	-	-
Total community development	1,859,550	1,859,550	1,824,873	1,701,760
Senior citizens services				
Personnel services				
Overtime	200	200	1,279.29	-
Salaries	220,900	220,900	250,711	240,883
Longevity	600	600	600	1,782
Training	400	400	525	356
Employer contribution	40,510	40,510	49,015	41,836
Health insurance	-	-	-	875
Total personnel services	262,610	262,610	302,130	285,732
Contractual services				
Conferences and meetings	2,700	2,700	3,181	2,104
Employee group insurance	25,600	25,600	24,951	11,584
General liability insurance	7,520	7,520	7,520	7,450
Janitorial services	1,300	1,300	-	753
Landscape maintenance	3,580	3,580	2,319	2,066
Maintenance - equipment	550	550	334	527
Membership dues	875	875	673	738

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT (Continued)				
Senior citizens services (Continued)				
Contractual services (Continued)				
Postage	\$ 1,600	\$ 1,600	\$ 859	\$ 899
Printing and binding	4,200	4,200	2,907	4,088
Regional and special agency assessments	600	600	908	643
Travel and transportation	600	600	-	-
Medical examinations	100	100	-	-
Miscellaneous contractual services	-	-	-	710
Total contractual services	49,225	49,225	43,652	31,562
Commodities				
Books and subscriptions	340	340	204	190
Janitorial supplies	1,600	1,600	1,939	1,657
Maintenance - buildings	19,375	19,375	13,271	14,951
Minor tools and equipment	400	400	374	9,484
Miscellaneous operating supplies	1,200	1,200	186	460
Office supplies	2,910	2,910	2,140	2,097
Total commodities	25,825	25,825	18,114	28,839
Capital outlay				
Building equipment	-	-	427	-
Building improvements	5,000	5,000	3,674	-
Total capital outlay	5,000	5,000	4,101	-
Total senior citizen services	342,660	342,660	367,997	346,133
Pavilion programs				
Contractual services				
Conferences and meetings	9,400	9,400	12,921	11,676
Printing and binding	500	500	-	-
Total contractual services	9,900	9,900	12,921	11,676
Commodities				
Small tools and equipment	150	150	-	-
Miscellaneous operating supplies	9,400	9,400	4,654	5,562
Awards/decorations	200	200	167	174
Total commodities	9,750	9,750	4,821	5,736
Total pavilion programs	19,650	19,650	17,742	17,412
Engineering				
Personnel services				
Overtime	10,000	10,000	7,228	11,119
Seasonal help	6,000	6,000	4,653	5,478
Salaries	610,799	610,799	599,610	553,883

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original	Final	Actual	2005
	Budget	Budget		
GENERAL GOVERNMENT (Continued)				
Engineering (Continued)				
Personnel services (Continued)				
Longevity	\$ 3,000	\$ 3,000	\$ 3,000	\$ 2,400
Training	3,000	3,000	2,054	3,412
Employer contribution	117,701	117,701	117,676	104,742
Health insurance	-	-	-	875
Total personnel services	750,500	750,500	734,221	681,909
Contractual services				
Conferences and meetings	7,000	7,000	7,281	6,170
Consulting services	20,000	20,000	22,310	16,143
Data processing	1,500	1,500	1,272	4,495
Employee group insurance	95,026	95,026	89,926	91,000
General liability insurance	12,910	12,910	12,910	12,790
Maintenance - office equipment	2,120	2,120	1,712	3,342
Maintenance - radio equipment	300	300	59	198
Membership dues	1,500	1,500	981	1,373
Printing and binding	3,300	3,300	4,278	2,878
Recording fees	-	-	96	-
Rental agreements	150	150	50	-
Cellular service	7,800	7,800	6,054	3,846
Retiree health insurance	-	-	-	21
Duplication services	15,000	15,000	8,134	-
Total contractual services	166,606	166,606	155,063	142,256
Commodities				
Auto petroleum products	7,400	7,400	7,065	5,483
Books and subscriptions	650	650	712	240
Vehicle maintenance	3,000	3,000	2,959	3,495
Information systems miscellaneous equipment and supplies	7,000	7,000	8,009	-
Information systems software	4,000	4,000	3,512	-
Minor tools and equipment	3,315	3,315	5,090	6,661
Miscellaneous operating supplies	10,000	10,000	7,144	6,956
Office supplies	3,000.00	3,000.00	2,815	3,172
Protective clothing	1,500	1,500	1,407	1,721
Awards/decorations	-	-	120	-
Total commodities	39,865	39,865	38,833	27,728
Capital outlay				
Mobile equipment	-	-	-	26,737
Transfer to CERF	26,795	26,795	26,795	12,600
Less transfer to CERF	(26,795)	(26,795)	(26,795)	(12,600)
Total capital outlay	-	-	-	26,737
Total engineering	956,971	956,971	928,117	878,630

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Streets division				
Personnel services				
Overtime	\$ 60,000	\$ 60,000	\$ 22,887	\$ 68,516
Seasonal help	26,400	26,400	13,054	14,592
Salaries	496,230	496,230	500,567	481,833
Longevity	5,400	5,400	5,400	1,800
Training	3,000	3,000	3,935	2,717
Uniform allowance	5,490	5,490	2,963	4,377
Employer contributions	88,600	88,600	103,880	101,072
Health insurance	-	-	-	875
Total personnel services	685,120	685,120	652,686	675,782
Contractual services				
Conferences and conventions	1,100	1,100	75	703
Consulting services	2,500	2,500	3,523	295
Debris dumping charges	10,000	10,000	9,926	9,899
Energy	75,360	75,360	56,457	64,575
Employee health insurance	85,180	85,180	91,121	82,202
General liability insurance	46,090	46,090	46,090	45,650
Landscape maintenance	87,000	87,000	100,764	79,522
Office equipment maintenance	1,000	1,000	-	300
Radio equipment maintenance	450	450	194	55
Membership dues	1,355	1,355	915	966
Rental equipment	2,050	2,050	2,053	1,797
Tree maintenance services	43,000	43,000	33,256	31,784
Retiree health insurance	16,920	16,920	11,005	14,080
Pavement marking	13,000	13,000	14,272	9,978
Street light maintenance	40,000	40,000	41,844	44,234
Miscellaneous contractual services	-	-	594	-
Total contractual services	425,005	425,005	412,089	386,040
Commodities				
Auto petroleum products	28,000	28,000	23,612	21,785
Books and subscriptions	1,135	1,135	1,240	88
Chemicals	3,000	3,000	541	2,872
Janitorial supplies	1,000	1,000	286	1,470
Vehicle maintenance	22,000	22,000	20,896	23,547
Buildings and grounds maintenance	96,000	96,000	100,359	37,529
Minor tools and equipment	18,000	18,000	17,853	13,879
Small tools and equipment	8,000	8,000	8,232	7,352
Miscellaneous operating supplies	3,000	3,000	2,746	2,970
Protective clothing	2,500	2,500	1,927	3,197
Streets signs	15,000	15,000	11,157	18,022
Water and sewer service charges	-	-	15,616	-
Total commodities	197,635	197,635	204,465	132,711

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
GENERAL GOVERNMENT (Continued)				
Streets division (Continued)				
Capital outlay				
Building equipment	\$ 104,000	\$ 104,000	\$ 22,466	\$ -
Transfer to CERF	39,134	39,134	39,134	47,560
Less transfer to CERF	(39,134)	(39,134)	(39,134)	(47,560)
Net capital outlay	104,000	104,000	22,466	-
Total streets division	1,411,760	1,411,760	1,291,706	1,194,533
Public works administration				
Personnel services				
Salaries	228,910	228,910	245,909	207,975
Training	3,000	3,000	2,571	967
Employer contributions	42,800	42,800	47,571	38,448
Total personnel services	274,710	274,710	296,051	247,390
Contractual services				
Conferences and meetings	4,500	4,500	3,777	3,985
Energy	15,000	15,000	-	10,212
Employee group insurance	42,910	42,910	33,376	28,728
General liability insurance	15,360	15,360	15,360	15,210
Maintenance - office equipment	6,930	6,930	5,989	5,060
Maintenance - radio equipment	350	350	185	183
Membership dues	3,630	3,630	21,176	2,215
Printing and binding	2,500	2,500	62	57
Cellular service	38,400	38,400	23,967	29,856
Medical examinations	7,500	7,500	3,651	2,361
Retiree health insurance	-	-	7,442	7,481
Total contractual services	137,080	137,080	114,985	105,348
Commodities				
Auto petroleum products	1,100	1,100	883	770
Books and subscriptions	1,400	1,400	1,314	1,052
Vehicle maintenance	1,500	1,500	178	1,071
Information systems miscellaneous equipment and supplies	4,250	4,250	3,620	-
Small tools and equipment	1,000	1,000	1,453	7,192
Miscellaneous operating supplies	1,800	1,800	1,329	1,886
Office supplies	4,500	4,500	3,894	4,485
Protective clothing	400	400	266	292
Awards/decorations	500	500	-	6
Total commodities	16,450	16,450	12,937	16,754
Total public works administration	428,240	428,240	423,973	369,492
Total	10,544,255	10,544,255	10,420,769	10,243,376

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
GENERAL GOVERNMENT (Continued)				
Public works administration (Continued)				
Less Waterworks and Sewerage Fund reimbursements	\$ 919,060	\$ 919,060	\$ 919,060	\$ 892,290
Total general government	9,625,195	9,625,195	9,501,709	9,351,086
PUBLIC SAFETY				
Police Department				
Personnel services				
Longevity	28,800	28,800	3,000	13,992
Overtime	524,200	524,200	535,571	658,278
Salaries	6,177,355	6,177,355	5,980,081	5,869,141
Training	54,761	54,761	58,410	48,185
Uniform allowance	63,105	63,105	63,297	56,536
Extra duty pay	-	-	433	98
Employer contribution	390,826	390,826	357,730	346,142
Employer contribution	738,540	738,540	735,844	676,900
College incentive	6,500	6,500	4,450	5,300
Unemployment	-	-	2,188	-
Health insurance	-	-	-	3,646
Total personnel services	7,984,087	7,984,087	7,741,004	7,678,218
Contractual services				
Animal impounding	4,000	4,000	4,688	2,993
Conferences and meetings	15,009	15,009	10,973	11,713
Consulting services	3,500	3,500	3,112	2,855
Energy	1,600	1,600	235	136
Fire extinguisher maintenance	1,000	1,000	281	660
Employee group insurance	1,006,100	1,006,100	968,506	901,715
General liability insurance	348,110	348,110	348,110	344,820
Information systems software	3,500	3,500	3,510	-
Maintenance - office and special equipment	27,405	27,405	16,953	19,156
Maintenance - radio equipment	-	-	-	35
Membership dues	3,830	3,830	2,883	3,187
Printing and binding	26,400	26,400	15,784	22,528
Prisoner welfare	3,500	3,500	4,090	4,657
Regional and special agency assessments	59,211	59,211	61,418	64,897
Rental equipment	8,850	8,850	6,503	4,968
Telecommunications	-	-	-	946
Cellular service	20,500	20,500	17,788	18,293
Travel and transportation	-	-	-	210
Duplication services	1,500	6,500	3,680	6,520
Medical examinations	12,000	12,000	8,442	13,326
Retiree health insurance	126,730	126,730	130,049	112,348
Total contractual services	1,672,745	1,677,745	1,607,005	1,535,963

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
PUBLIC SAFETY (Continued)				
Police Department (Continued)				
Commodities				
Auto petroleum products	\$ 130,000	\$ 130,000	\$ 120,872	\$ 102,114
Books and subscriptions	5,000	5,000	4,365	4,019
Vehicle maintenance	45,000	45,000	49,638	50,957
Computer supplies	27,950	27,950	26,972	139
Small tools and equipment	26,900	26,900	24,485	50,489
Range supplies	26,900	26,900	27,558	30,977
Miscellaneous operating supplies	37,925	37,925	28,157	36,298
Office supplies	14,300	9,300	15,254	16,861
Police DUI fund	-	-	20,974	15,858
Investigative funds	3,000	3,000	979	2,598
Total commodities	316,975	311,975	319,254	310,310
Capital outlay				
Transfer to CERF	143,467	143,467	143,467	134,112
Less transfer to CERF	(143,467)	(143,467)	(143,467)	(134,112)
Net capital outlay	-	-	-	-
Total Police Department	9,973,807	9,973,807	9,667,263	9,524,491
Fire Department				
Personnel services				
Longevity	21,700	21,700	21,400	14,075
Overtime	274,609	274,609	379,298	285,385
Salaries	4,090,990	4,090,990	4,095,948	3,859,272
Training	41,700	41,700	18,275	25,408
Uniform allowance	38,200	38,200	29,071	25,978
Employer contribution	94,148	94,148	103,098	82,542
Employer contribution	324,328	324,328	333,032	209,676
College incentive	4,000	4,000	3,447	4,220
Total personnel services	4,889,675	4,889,675	4,983,569	4,506,556
Contractual services				
Conferences and meetings	13,320	13,320	8,284	7,004
Fire extinguisher maintenance	400	400	259	294
Employee group insurance	641,030	641,030	644,709	562,953
General liability insurance	197,750	197,750	197,750	195,880
Laundry service	1,255	1,255	-	1,326
Maintenance - office equipment	52,340	52,340	25,498	32,527
Maintenance - radio equipment	45,615	45,615	25,922	7,259
Membership dues	1,235	1,235	1,071	947
Printing and binding	3,000	3,000	1,542	1,449
Regional and special agency assessments	22,900	22,900	16,044	14,550

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

GENERAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
PUBLIC SAFETY (Continued)				
Fire Department (Continued)				
Contractual services (Continued)				
Rental agreement	\$ -	\$ -	\$ 1,625	\$ -
Telecommunications	17,900	17,900	2,124	5,933
Cellular service	16,300	16,300	10,367	13,921
Medical examinations	22,410	22,410	16,621	16,935
Retiree health insurance	216,360	216,360	184,936	154,976
Total contractual services	1,251,815	1,251,815	1,136,752	1,015,954
Commodities				
Auto petroleum products	42,100	42,100	46,256	36,550
Books and subscriptions	3,445	3,445	2,584	2,502
Information systems software	1,000	1,000	-	-
Firefighting supplies	107,295	107,295	74,318	88,279
Vehicle maintenance	46,500	46,500	57,605	45,150
Maintenance - building and grounds	13,650	13,650	10,387	12,386
Medical supplies	28,850	28,850	24,470	19,960
Computer supplies	24,250	24,250	17,396	35,296
Miscellaneous operating supplies	16,445	53,195	45,508	33,596
Office supplies	5,650	5,650	5,745	4,587
Protective clothing	30,890	30,890	29,119	24,950
Total commodities	320,075	356,825	313,388	303,256
Capital outlay				
Building improvements	10,500	10,500	-	-
Transfer to CERF	255,798	255,798	255,798	228,606
Less transfer to CERF	(255,798)	(255,798)	(255,798)	(228,606)
Net capital outlay	10,500	10,500	-	-
Total Fire Department	6,472,065	6,508,815	6,433,709	5,825,766
Total public safety	16,445,872	16,482,622	16,100,972	15,350,257
TOTAL EXPENDITURES	\$ 26,071,067	\$ 26,107,817	\$ 25,602,681	\$ 24,701,343

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2006

(With Comparative Totals for December 31, 2005)

	2006	2005
ASSETS		
Cash and cash equivalents	\$ 696,757	\$ 3,419,913
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	182,318	21,925
Accrued interest	16,103	18,114
Due from other funds	105,005	-
Land held for resale	6,189,903	6,627,577
TOTAL ASSETS	\$ 7,190,086	\$ 10,087,529
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 19,771	\$ 27,798
Total liabilities	19,771	27,798
FUND BALANCES		
Reserved for land held for resale	6,189,903	6,627,577
Reserved for economic development	980,412	3,432,154
Total fund balances	7,170,315	10,059,731
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,190,086	\$ 10,087,529

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CROSSROADS REDEVELOPMENT AREA FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Taxes				
Property taxes	\$ 2,649,893	\$ 2,649,893	\$ 2,682,566	\$ 2,406,094
Intergovernmental	-	-	150,000	-
Charges for services	-	-	1,000	-
Investment income	75,928	75,928	178,523	127,291
Miscellaneous	1,250,000	1,250,000	191,826	1,996
Total revenues	3,975,821	3,975,821	3,203,915	2,535,381
EXPENDITURES				
Capital outlay				
Consulting services	90,500	90,500	139,542	173,307
Surplus distributions	2,000,000	2,000,000	2,072,543	2,079,768
Miscellaneous	-	-	27,976	3,802
Land acquisition	1,700,000	1,700,000	693	322,638
Capital improvements				
Streetscape improvements	269,900	269,900	130,735	77,274
Total expenditures	4,060,400	4,060,400	2,371,489	2,656,789
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(84,579)	(84,579)	832,426	(121,408)
OTHER FINANCING SOURCES (USES)				
Loss on disposal of land held for resale	-	-	(578,212)	-
Transfers (out)				
Debt Service Fund	(1,643,630)	(3,143,630)	(3,143,630)	(2,846,090)
Total other financing sources (uses)	(1,643,630)	(3,143,630)	(3,721,842)	(2,846,090)
NET CHANGE IN FUND BALANCE				
	\$ (1,728,209)	\$ (3,228,209)	(2,889,416)	(2,967,498)
FUND BALANCE, JANUARY 1				
			10,059,731	13,027,229
FUND BALANCE, DECEMBER 31				
			\$ 7,170,315	\$ 10,059,731

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

BALANCE SHEET

December 31, 2006

(With Comparative Totals for December 31, 2005)

	2006	2005
ASSETS		
Cash and investments	\$ 4,598,443	\$ 5,089,497
Receivables (net where applicable of allowance for uncollectibles)		
Property taxes	7,816	6,055
Accounts	-	136,640
Accrued interest	6,926	10,040
TOTAL ASSETS	\$ 4,613,185	\$ 5,242,232
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts payable	\$ 9,850	\$ 112,819
Total liabilities	9,850	112,819
FUND BALANCES		
Reserved for economic development	4,603,335	5,129,413
Total fund balances	4,603,335	5,129,413
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,613,185	\$ 5,242,232

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

NORTH MILWAUKEE/LAKE COOK REDEVELOPMENT AREA FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	\$ 394,974	\$ 394,974	\$ 636,884	\$ 330,323
Intergovernmental	-	-	3,669	205,265
Investment income	32,767	32,792	172,688	127,581
Miscellaneous	-	-	151,429	-
Total revenues	427,741	427,766	964,670	663,169
EXPENDITURES				
Capital outlay				
Consulting services	-	-	128,989	933,869
Capital improvements				
Land acquisition	-	-	2,500	14,067,500
Water and sewer improvements	911,250	911,250	68,212	-
Streetscape improvements	480,900	480,900	25,447	4,534
Sidewalk improvements	150,000	150,000	-	-
TIF incentive	325,000	1,825,000	2,590,499	9,928,864
Debt service				
Interest	1,200,000	2,500,474	1,300,474	52,056
Fiscal agent fees	-	4,548	13,590	16,542
Total expenditures	3,067,150	5,872,172	4,129,711	25,003,365
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,639,409)	(5,444,406)	(3,165,041)	(24,340,196)
OTHER FINANCING SOURCES (USES)				
Issuance of general obligation bonds	-	-	-	24,140,000
Discount on general obligation bonds	-	-	-	(39,999)
Transfers in				
Crossroads Redevelopment Area Fund	1,140,000	2,640,000	2,640,000	2,349,000
Capital Projects Fund	-	-	-	1,750,000
Transfers (out)				
Debt Service Fund	(122,880)	-	(1,037)	(85,537)
Total other financing sources (uses)	1,017,120	2,640,000	2,638,963	28,113,464
NET CHANGE IN FUND BALANCE	\$ (1,622,289)	\$ (2,804,406)	(526,078)	3,773,268
FUND BALANCE, JANUARY 1			5,129,413	1,356,145
FUND BALANCE, DECEMBER 31			\$ 4,603,335	\$ 5,129,413

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund

Financing is provided by revenues received by the state from the sale of motor fuel. Funds are utilized for street maintenance and replacement.

Emergency Telephone System Fund

Financing is provided by an E911 telephone surcharge. Funds are utilized for products and services necessary for the implementation, upgrade, and maintenance of the emergency telephone system.

Grant Fund

This fund accounts for the proceeds from various state and federal grants awarded to the Village. The grant proceeds are used to fund programs authorized by the issuing agency. Since most grants are on a different fiscal year than the Village, each grant is assigned a unique project number which allows the Village to account for all revenue and expenditures for a particular grant on a multi-year basis. Currently the Grant Fund is used to account for two federal grants awarded to the Wheeling Police Department. The first is the TLEP overtime grant and the second is the Vision Air Software grant.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for the payment of general obligation bond principal and interest.

CAPITAL PROJECTS FUNDS

South Milwaukee Redevelopment Area Fund

This fund is used to account for the redevelopment activities of the tax increment financing district located near South Milwaukee Road.

Town Center TIF Fund

This fund is used to account for the redevelopment activities of the tax increment financing district for the area surrounding Wheeling Metra Station, including portions of Dundee Road and areas north of Dundee Road. The Village received a grant from the Regional Transportation Authority (RTA) to conduct this study. The Village wants the area around the Metra Station to be a focal point of the community.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS (Continued)

Capital Equipment Replacement Fund

This fund accounts for operating transfers and advances from other funds used to purchase equipment to be utilized by those funds.

Capital Projects Fund

This fund accounts for the bond proceeds of the General Obligation Bond Series of 2003 and municipal gas and electric tax proceeds. The proceeds are used to fund infrastructure and noninfrastructure needs including public streets, sidewalks, building improvements, etc.

VILLAGE OF WHEELING, ILLINOIS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

December 31, 2006

	Special Revenue		
	Motor Fuel Tax	Emergency Telephone System	Grant
ASSETS			
Cash and investments	\$ 1,741,259	\$ 277,762	\$ -
Receivables			
Property taxes	-	-	-
Accounts	-	72,909	-
Accrued interest	7,746	5,128	-
Other	-	-	-
Prepaid items	-	1,496	1,260
Inventory	25,088	-	-
Due from other funds	12,276	-	-
Due from other governments	93,770	-	88,174
Land held for resale	-	-	-
TOTAL ASSETS	\$ 1,880,139	\$ 357,295	\$ 89,434
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 93,347	\$ 15,786	\$ -
Deferred revenue	-	-	-
Due to other funds	-	-	89,434
Advances from other funds	-	-	-
Total liabilities	93,347	15,786	89,434
FUND BALANCES			
Reserved for land held for resale	-	-	-
Reserved for prepaid items	-	1,496	1,260
Reserved for inventory	25,088	-	-
Reserved for highways and streets	1,761,704	-	-
Reserved for public safety	-	340,013	-
Reserved for economic development	-	-	-
Reserved for capital projects	-	-	-
Reserved for debt service	-	-	-
Unreserved - designated for capital outlay	-	-	-
Unreserved - undesignated (deficit)			
Special Revenue Funds	-	-	(1,260)
Capital Projects Funds	-	-	-
Total fund balances (deficit)	1,786,792	341,509	-
TOTAL LIABILITIES AND			

Debt Service			Capital Projects			
Debt Service	South Milwaukee Redevelopment Area	Town Center TIF	Capital Equipment Replacement	Capital Projects	Total	
\$ 76,776	\$ 593,278	\$ -	\$ 4,782,753	\$ 3,320,366	\$ 10,792,194	
965,521	5,430	396	-	-	971,347	
-	-	-	-	-	72,909	
-	342	-	13,342	19,836	46,394	
-	-	-	-	236,952	236,952	
-	-	-	-	-	2,756	
-	-	-	-	-	25,088	
-	-	-	-	-	12,276	
-	-	-	-	-	181,944	
-	1,867,344	-	-	475,208	2,342,552	
\$ 1,042,297	\$ 2,466,394	\$ 396	\$ 4,796,095	\$ 4,052,362	\$ 14,684,412	
\$ -	\$ 808	\$ 17,490	\$ 400	\$ 318,420	\$ 446,251	
951,760	-	-	-	-	951,760	
-	-	105,005	-	-	194,439	
-	-	-	850,429	-	850,429	
951,760	808	122,495	850,829	318,420	2,442,879	
-	1,867,344	-	-	475,208	2,342,552	
-	-	-	-	-	2,756	
-	-	-	-	-	25,088	
-	-	-	-	-	1,761,704	
-	-	-	-	-	340,013	
-	598,242	-	-	-	598,242	
-	-	-	-	3,258,734	3,258,734	
90,537	-	-	-	-	90,537	
-	-	-	3,945,266	-	3,945,266	
-	-	-	-	-	(1,260)	
-	-	(122,099)	-	-	(122,099)	
90,537	2,465,586	(122,099)	3,945,266	3,733,942	12,241,533	

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2006

	Special Revenue		
	Motor Fuel Tax	Emergency Telephone System	Grant
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	1,101,614	-	372,876
Charges for services	-	166,745	-
Investment income	96,539	19,015	-
Miscellaneous	-	192,121	-
Total revenues	1,198,153	377,881	372,876
EXPENDITURES			
Current			
Public safety	-	481,044	372,876
Highways and streets	1,362,307	-	-
Capital outlay	-	-	-
Capital improvements	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	1,362,307	481,044	372,876
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(164,154)	(103,163)	-
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	-	(60,236)	-
Total other financing sources (uses)	-	(60,236)	-
NET CHANGE IN FUND BALANCES	(164,154)	(163,399)	-
FUND BALANCE, JANUARY 1	1,950,946	504,908	-
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 1,786,792	\$ 341,509	\$ -

Debt Service		Capital Projects				
Debt Service	South Milwaukee Redevelopment Area	Town Center TIF	Capital Equipment Replacement	Capital Projects	Total	
\$ 1,571,414	\$ 1,203,129	\$ 678,208	\$ -	\$ 1,918,187	\$ 5,370,938	
-	-	-	-	30,763	1,505,253	
-	-	-	-	-	166,745	
55,935	30,066	10,732	228,222	172,319	612,828	
-	-	45,391	-	62,983	300,495	
1,627,349	1,233,195	734,331	228,222	2,184,252	7,956,259	
-	-	-	-	-	853,920	
-	-	-	-	865,280	2,227,587	
-	165,272	1,153,346	559,914	171,536	2,050,068	
-	-	6,489	-	1,084,828	1,091,317	
1,880,000	-	-	-	-	1,880,000	
201,963	-	-	-	205,868	407,831	
2,081,963	165,272	1,159,835	559,914	2,327,512	8,510,723	
(454,614)	1,067,923	(425,504)	(331,692)	(143,260)	(554,464)	
504,057	-	-	576,442	-	1,080,499	
-	-	-	-	30,610	(29,626)	
504,057	-	-	576,442	30,610	1,050,873	
49,443	1,067,923	(425,504)	244,750	(112,650)	496,409	
41,094	1,397,663	303,405	3,700,516	3,846,592	11,745,124	
\$ 90,537	\$ 2,465,586	\$ (122,099)	\$ 3,945,266	\$ 3,733,942	\$ 12,241,533	

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

MOTOR FUEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006		Actual	2005
	Original Budget	Final Budget		
REVENUES				
Intergovernmental				
Allotments	\$ 1,140,150	\$ 1,140,150	\$ 1,101,614	\$ 1,027,261
Investment income	58,190	58,190	96,539	30,408
Total revenues	1,198,340	1,198,340	1,198,153	1,057,669
EXPENDITURES				
Highways and streets				
Personnel services	98,880	98,880	98,880	98,880
Contractual services	-	-	44,311	7,639
Maintenance and capital improvements	1,593,000	1,593,000	1,219,116	626,327
Total expenditures	1,691,880	1,691,880	1,362,307	732,846
NET CHANGE IN FUND BALANCE	\$ (493,540)	\$ (493,540)	(164,154)	324,823
FUND BALANCE, JANUARY 1			1,950,946	1,626,123
FUND BALANCE, DECEMBER 31			\$ 1,786,792	\$ 1,950,946

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for services	\$ 160,000	\$ 160,000	\$ 166,745	\$ 147,472
Investment income	5,389	5,389	19,015	6,235
Miscellaneous				
Telephone surcharges	225,000	225,000	192,121	206,395
Total revenues	390,389	390,389	377,881	360,102
EXPENDITURES				
Public safety	493,977	493,977	481,044	458,949
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(103,588)	(103,588)	(103,163)	(98,847)
OTHER FINANCING SOURCE (USES)				
Transfers (out)				
Capital Equipment Replacement Fund	(60,236)	(60,236)	(60,236)	(36,836)
Total other financing sources (uses)	(60,236)	(60,236)	(60,236)	(36,836)
NET CHANGE IN FUND BALANCE	\$ (163,824)	\$ (163,824)	(163,399)	(135,683)
FUND BALANCE, JANUARY 1			504,908	640,591
FUND BALANCE, DECEMBER 31			\$ 341,509	\$ 504,908

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

EMERGENCY TELEPHONE SYSTEM FUND

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
PUBLIC SAFETY				
Personnel services				
Training	\$ 1,500	\$ 1,500	\$ 1,684	\$ 463
Contractual services				
Conferences and meetings	1,685	1,685	904	1,109
Data processing services	63,692	63,692	21,965	4,828
Maintenance - equipment	73,650	73,650	77,935	72,735
Membership dues	250	250	-	273
Regional and special agency assessments	310,200	310,200	324,094	311,185
Telecommunications	25,900	25,900	34,450	30,084
Total contractual services	475,377	475,377	459,348	420,214
Commodities				
Information systems miscellaneous equipment and supplies	12,000	12,000	14,729	-
Small tools and equipment	1,100	1,100	2,508	31,372
Miscellaneous operating supplies	1,000	1,000	231	1,100
Miscellaneous software	3,000	3,000	2,544	-
Total commodities	17,100	17,100	20,012	32,472
Capital outlay				
Transfer to CERF	60,236	60,236	60,236	36,836
Less transfer to CERF	(60,236)	(60,236)	(60,236)	(36,836)
Net capital outlay	-	-	-	-
Capital improvements				
Building improvements	-	-	-	5,800
Total capital improvements	-	-	-	5,800
TOTAL EXPENDITURES	\$ 493,977	\$ 493,977	\$ 481,044	\$ 458,949

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 302,000	\$ 302,000	\$ 372,876	\$ 94,614
Total revenues	302,000	302,000	372,876	94,614
EXPENDITURES				
Personnel services				
Overtime	72,000	72,000	91,922	-
Salaries	-	-	53,134	-
Employer contributions	-	-	10,360	-
Contractual services				
Employee health insurance	-	-	8,237	-
Printing and binding	-	-	3,200	-
Commodities				
Computer supplies	-	-	-	103,664
Information systems miscellaneous equipment and supplies	230,000	230,000	98,953	4,130
Small tools and equipment	-	-	12,234	-
Miscellaneous operating supplies	-	-	1,036	-
Investigative funds	-	-	250	-
Capital outlay				
Miscellaneous	-	93,550	93,550	-
Total expenditures	302,000	395,550	372,876	107,794
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(93,550)	-	(13,180)
OTHER FINANCING SOURCE (USES)				
Transfers in				
General fund	-	-	-	13,180
Total other financing sources (uses)	-	-	-	13,180
NET CHANGE IN FUND BALANCE	\$ -	\$ (93,550)	-	-
FUND BALANCE, JANUARY 1			-	-
FUND BALANCE, DECEMBER 31			\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Taxes				
Property taxes	\$ 1,582,183	\$ 1,582,183	\$ 1,571,414	\$ 1,574,383
Investment income	8,100	8,000	55,935	27,330
Total revenues	1,590,283	1,590,183	1,627,349	1,601,713
EXPENDITURES				
Debt service				
Principal retirement	1,880,000	1,880,000	1,880,000	1,815,000
Interest	1,706,830	200,813	200,813	790,426
Fiscal agent fees	5,900	1,100	1,150	1,950
Total expenditures	3,592,730	2,081,913	2,081,963	2,607,376
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(2,002,447)	(491,730)	(454,614)	(1,005,663)
OTHER FINANCING SOURCES (USES)				
Transfers in				
Crossroads Redevelopment Area Fund	503,630	503,630	503,630	497,090
Capital Projects Fund	205,543	-	72	461,833
North Milwaukee/Lake Cook Redevelopment Area Fund	122,880	-	355	85,537
Transfers (out)				
Waterworks and Sewerage Fund	-	-	-	(5,693)
Total other financing sources (uses)	832,053	503,630	504,057	1,038,767
NET CHANGE IN FUND BALANCE				
	\$ (1,170,394)	\$ 11,900	49,443	33,104
FUND BALANCE, JANUARY 1				
			41,094	7,990
FUND BALANCE, DECEMBER 31				
			\$ 90,537	\$ 41,094

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SOUTH MILWAUKEE REDEVELOPMENT AREA FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Taxes				
Property taxes	\$ 916,275	\$ 916,275	\$ 1,203,129	\$ 882,194
Investment income	-	-	30,066	4,974
Miscellaneous	-	-	-	68,933
Total revenues	916,275	916,275	1,233,195	956,101
EXPENDITURES				
Capital outlay				
Consulting services	20,000	20,000	154,397	21,725
Land acquisition	-	-	10,875	8,579
Capital improvements				
Streetscape improvements	85,000	85,000	-	1,503
Total expenditures	105,000	105,000	165,272	31,807
NET CHANGE IN FUND BALANCE	<u>\$ 811,275</u>	<u>\$ 811,275</u>	1,067,923	924,294
FUND BALANCE, JANUARY 1			1,397,663	473,369
FUND BALANCE, DECEMBER 31			<u>\$ 2,465,586</u>	<u>\$ 1,397,663</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

TOWN CENTER TIF FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			2005
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes				
Property taxes	\$ 464,650	\$ 464,650	\$ 678,208	\$ 459,596
Investment income	11,295	11,295	10,732	3,206
Miscellaneous	-	-	45,391	-
Total revenues	475,945	475,945	734,331	462,802
EXPENDITURES				
Commodities				
Building and grounds maintenance	13,750	13,750	6,489	-
Capital outlay				
Consulting services	20,000	20,000	361,781	96,239
Bridge improvements	-	-	791,565	-
Total expenditures	33,750	33,750	1,159,835	96,239
NET CHANGE IN FUND BALANCE	\$ 442,195	\$ 442,195	(425,504)	366,563
FUND BALANCE (DEFICIT), JANUARY 1			303,405	(63,158)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (122,099)	\$ 303,405

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CAPITAL EQUIPMENT REPLACEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Investment income	\$ 109,400	\$ 109,400	\$ 228,222	\$ 62,275
Miscellaneous	-	-	-	990
Total revenues	109,400	109,400	228,222	63,265
EXPENDITURES				
Capital outlay				
Mobile equipment	1,150,980	1,150,980	415,010	475,465
Office equipment	75,000	75,000	128,919	25,839
Miscellaneous	4,560	4,560	15,985	171,121
Total expenditures	1,230,540	1,230,540	559,914	672,425
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,121,140)	(1,121,140)	(331,692)	(609,160)
OTHER FINANCING SOURCES (USES)				
Transfers in				
General Fund	516,206	516,206	516,206	485,201
Water and Sewerage Fund	176,382	176,382	-	-
Emergency Telephone System Fund	60,236	60,236	60,236	36,836
Transfers (out)				
Water and Sewerage Fund	-	-	-	(54,539)
Total other financing sources (uses)	752,824	752,824	576,442	467,498
NET CHANGE IN FUND BALANCE	\$ (368,316)	\$ (368,316)	244,750	(141,662)
FUND BALANCE, JANUARY 1			3,700,516	3,842,178
FUND BALANCE, DECEMBER 31			\$ 3,945,266	\$ 3,700,516

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
REVENUES				
Taxes				
Utility taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,918,187	\$ 2,018,643
Intergovernmental	-	-	30,763	5,505
Investment income	120,878	120,953	172,319	68,614
Miscellaneous	-	-	62,983	104,680
Total revenues	2,120,878	2,120,953	2,184,252	2,197,442
EXPENDITURES				
Current				
Highways and streets				
Personnel services	259,941	259,941	264,732	113,870
Contractual services	33,904	33,904	600,548	90,175
Commodities	-	-	-	50,959
Capital outlay				
Land acquisition	208,688	208,688	370	85,497
Equipment	215,300	215,300	171,166	33,035
Capital improvements				
Streetscape improvements	705,000	705,000	697,134	372,374
Pavement improvements	468,452	468,452	376,664	154,786
Building improvements	13,800,000	13,800,000	11,030	717,526
Debt service				
Interest	-	205,543	205,543	-
Fiscal agent fees	-	252	325	-
Total expenditures	15,691,285	15,897,080	2,327,512	1,618,222
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,570,407)	(13,776,127)	(143,260)	579,220
OTHER FINANCING SOURCES (USES)				
Issuance of general obligation bonds	12,000,000	12,000,000	-	-
Transfers in				
General Fund	-	-	30,000	-
Debt Service Fund	(205,543)	-	610	-
Transfers (out)				
Debt Service Fund	-	-	-	(461,833)
North Milwaukee/Lake Cook Redevelopment Area Fund	-	-	-	(1,750,000)
Total other financing sources (uses)	11,794,457	12,000,000	30,610	(2,211,833)
NET CHANGE IN FUND BALANCE	\$ (1,775,950)	\$ (1,776,127)	(112,650)	(1,632,613)
FUND BALANCE, JANUARY 1			3,846,592	5,479,205
FUND BALANCE, DECEMBER 31			\$ 3,733,942	\$ 3,846,592

(See independent auditor's report.)

MAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are established to account for the financing of self-supporting activities of the Village that render services on a user-charge basis.

Waterworks and Sewerage Fund

This fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

INTERNAL SERVICE FUND

Liability Insurance Fund

This fund is used to account for accumulation of resources and costs associated with liability insurance for the Village.

VILLAGE OF WHEELING, ILLINOIS
WATERWORKS AND SEWERAGE FUND

STATEMENT OF NET ASSETS

December 31, 2006
(With Comparative Totals for December 31, 2005)

	2006	2005
CURRENT ASSETS		
Cash and investments	\$ 5,652,999	\$ 5,058,075
Receivables (net where applicable of allowance for uncollectibles)		
Accounts	1,741,838	1,714,298
Accrued interest	25,485	17,857
Miscellaneous	1,769	101,832
Prepaid expenses	129,980	116,573
Inventory	281,499	303,842
Total current assets	7,833,570	7,312,477
NONCURRENT ASSETS		
Capital assets		
Assets not being depreciated	882,429	588,581
Assets being depreciated		
Cost	51,221,058	48,864,914
Accumulated depreciation	(13,562,568)	(12,846,872)
Net capital assets being depreciated	37,658,490	36,018,042
Net capital assets	38,540,919	36,606,623
Deferred charges	23,227	25,162
Advances to other funds	850,429	756,789
Investment in joint ventures	7,027,741	7,081,595
Total noncurrent assets	46,442,316	7,863,546
Total assets	54,275,886	51,782,646
CURRENT LIABILITIES		
Accounts payable	484,405	334,502
Accrued payroll	13,874	10,272
Compensated absences payable	117,084	109,272
Deposits payable	38,293	36,523
Interest payable	4,087	4,700
Bonds payable	410,000	405,000
Total current liabilities	1,067,743	900,269
NONCURRENT LIABILITIES		
General obligation bonds payable (less current portion)	2,420,000	2,830,000
Total noncurrent liabilities	2,420,000	2,830,000
Total liabilities	3,487,743	3,730,269
NET ASSETS		
Invested in capital assets, net of related debt	35,710,919	33,371,623
Unrestricted	15,077,224	14,680,754
TOTAL NET ASSETS	\$ 50,788,143	\$ 48,052,377

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS - BY SUBFUND - BUDGET AND ACTUAL

For the Year Ended December 31, 2006

	Waterworks and Sewerage			Waterworks and Sewerage Capital		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
OPERATING REVENUES						
Charges for services						
Water sales	\$ 6,016,600	\$ 6,016,600	\$ 5,911,831	\$ -	\$ -	\$ -
Sewer charges	1,551,705	1,551,705	1,255,630	-	-	-
Water connection fees	5,200	5,200	5,745	78,000	78,000	97,318
Sewer connection fees	-	-	104	100,000	100,000	301,420
Water meter sales	10,000	10,000	173,992	-	-	-
Other	10,000	10,000	137,659	-	-	-
Total operating revenues	7,593,505	7,593,505	7,484,961	178,000.00	178,000.00	398,738
OPERATING EXPENSES EXCLUDING DEPRECIATION						
Waterworks division	4,080,298	4,080,298	3,774,868	1,325,000	1,325,000	157,067
Sewerage division	1,226,792	1,226,792	1,100,111	7,213,788	7,213,788	261,271
Total operating expenses excluding depreciation	5,307,090	5,307,090	4,874,979	8,538,788	8,538,788	418,338
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	2,286,415	2,286,415	2,609,982	(8,360,788)	(8,360,788)	(19,600)
DEPRECIATION	-	-	907,484	-	-	-
OPERATING INCOME (LOSS)	2,286,415	2,286,415	1,702,498	(8,360,788)	(8,360,788)	(19,600)
NONOPERATING REVENUES (EXPENSES)						
Investment income	40,000	40,000	120,318	17,984	17,984	189,473
Loss on disposal of capital assets	-	-	50,370	-	-	-
Other	-	-	-	2,646,172	2,646,172	-
Issuance of general obligation bonds	-	-	-	1,100,000	1,100,000	-
Contributions	-	-	861,472	-	-	-
Bond principal	-	-	-	(405,000)	(405,000)	-
Interest expense	-	-	-	(112,789)	(112,789)	(114,111)
Fiscal agent fees	-	-	-	(800)	(800)	(800)
Income (loss) from joint venture - Northwest Water Commission	-	-	(53,854)	-	-	-
Total nonoperating revenues (expenses)	40,000	40,000	978,306	3,245,567	3,245,567	74,562
INCOME (LOSS) BEFORE TRANSFERS	2,326,415	2,326,415	2,680,804	(5,115,221)	(5,115,221)	54,962
TRANSFERS IN (OUT)						
Waterworks and sewerage	-	-	-	4,553,590	4,553,590	1,050,281
Waterworks and sewerage capital	(4,553,590)	(4,553,590)	(1,050,281)	-	-	-
Capital Equipment Replacement Fund	(176,382)	(176,382)	-	-	-	-
Total transfers in (out)	(4,729,972)	(4,729,972)	(1,050,281)	4,553,590	4,553,590	1,050,281
CHANGE IN NET ASSETS	\$ (2,403,557)	\$ (2,403,557)	1,630,523	\$ (561,631)	\$ (561,631)	1,105,243
NET ASSETS (DEFICIT), JANUARY 1			50,121,197			(2,068,820)
NET ASSETS (DEFICIT), DECEMBER 31			\$ 51,751,720			\$ (963,577)

Eliminations			Total		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ -	\$ -	\$ -	\$ 6,016,600	\$ 6,016,600	\$ 5,911,831
-	-	-	1,551,705	1,551,705	1,255,630
-	-	-	83,200	83,200	103,063
-	-	-	100,000	100,000	301,524
-	-	-	10,000	10,000	173,992
-	-	-	10,000	10,000	137,659
-	-	-	7,771,505	7,771,505	7,883,699
-	-	-	5,405,298	5,405,298	3,931,935
-	-	-	8,440,580	8,440,580	1,361,382
-	-	-	13,845,878	13,845,878	5,293,317
-	-	-	(6,074,373)	(6,074,373)	2,590,382
-	-	-	-	-	907,484
-	-	-	(6,074,373)	(6,074,373)	1,682,898
-	-	-	57,984	57,984	309,791
-	-	-	-	-	50,370
-	-	-	2,646,172	2,646,172	-
-	-	-	1,100,000	1,100,000	-
-	-	-	-	-	861,472
-	-	-	(405,000)	(405,000)	-
-	-	-	(112,789)	(112,789)	(114,111)
-	-	-	(800)	(800)	(800)
-	-	-	-	-	(53,854)
-	-	-	3,285,567	3,285,567	1,052,868
-	-	-	(2,788,806)	(2,788,806)	2,735,766
(4,553,590)	(4,553,590)	(1,050,281)	-	-	-
4,553,590	4,553,590	1,050,281	-	-	-
-	-	-	(176,382)	(176,382)	-
-	-	-	(176,382)	(176,382)	-
\$ -	\$ -	-	\$ (2,965,188)	\$ (2,965,188)	2,735,766
		-			48,052,377
	\$ -				\$ 50,788,143

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ 60,000	\$ 60,000	\$ 55,531	\$ 61,475
Seasonal help	13,800	13,800	3,667	11,484
Salaries	746,710	746,710	653,615	680,934
Longevity	6,000	6,000	6,300	4,300
Training	6,000	6,000	6,574	2,597
Uniform allowance	6,870	6,870	4,337	5,469
Employer contributions	146,130	146,130	138,674	139,610
Total personnel services	985,510	985,510	868,698	905,869
Contractual services				
Bank charges	11,400	11,400	-	6,635
Conference and meetings	1,900	1,900	864	1,494
Consulting services	5,000	5,000	4,800	5,145
Service and maintenance	10,000	10,000	1,023	-
Debris dump charges	20,000	20,000	19,550	17,475
Energy	53,000	53,000	55,875	53,165
Employee group insurance	133,520	133,520	120,405	123,690
General liability insurance	51,650	51,650	51,160	51,160
Hydrant maintenance	30,500	30,500	27,046	23,403
Landscape maintenance	20,000	20,000	16,280	20,288
Maintenance - office and special equipment	2,000	2,000	1,026	342
Maintenance - radio equipment	550	550	388	-
Membership dues	1,000	1,000	409	226
Postage	14,200	14,200	4,250	17,000
Printing and binding	20,700	20,700	17,969	17,691
Rental agreement	-	-	-	8,100
Rental equipment	3,000	3,000	849	2,431
Telemetry equipment maintenance	13,500	13,500	12,533	13,629
Retiree health insurance	25,370	25,370	6,742	11,140
Wells maintenance	19,350	19,350	18,798	26,973
Miscellaneous contractual services	-	-	-	812
Total contractual services	436,640	436,640	359,967	400,799
Commodities				
Auto petroleum products	26,100	26,100	23,615	18,904
Books and subscriptions	300	300	222	37
Chemicals - treatment	7,500	7,500	2,930	7,442
Heating fuel	500	500	-	-
Water samples	7,000	7,000	5,411	5,450
Janitorial supplies	500	500	297	1,385

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
WATERWORKS DIVISION (Continued)				
Commodities (Continued)				
Vehicle maintenance	\$ 19,000	\$ 19,000	\$ 16,823	\$ 20,018
Building and grounds maintenance	24,000	24,000	27,158	14,291
Minor tools and equipment	6,500	6,500	6,046	5,273
Miscellaneous operating supplies	10,500	10,500	11,016	1,157
Protective clothing	4,000	4,000	2,498	3,093
Meters	40,000	40,000	49,560	26,192
Water main maintenance	45,000	45,000	63,445	62,424
Water storage facilities maintenance	32,000	32,000	30,475	7,537
Total commodities	222,900	222,900	239,496	173,203
Capital outlay				
Transfer to CERF	113,583	113,583	-	(54,539)
Mobile equipment	-	-	-	19,064
Subtotal	113,583	113,583	-	(35,475)
Less				
Transfer to CERF	(113,583)	(113,583)	-	54,539
Net capital outlay	-	-	-	19,064
Less				
Capital assets capitalized	-	-	-	(19,064)
Other				
General Fund reimbursement	735,248	735,248	735,248	789,990
Northwest Water Commission - water charge	1,700,000	1,700,000	1,571,459	1,509,621
Total other	2,435,248	2,435,248	2,306,707	2,299,611
Total operating expenses excluding depreciation - waterworks division	4,080,298	4,080,298	3,774,868	3,779,482

(This schedule is continued on the following pages.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006

(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
SEWERAGE DIVISION				
Personnel services				
Overtime	\$ 40,000	\$ 40,000	\$ 31,224	\$ 19,267
Seasonal help	6,000	6,000	5,661	3,182
Salaries	549,790	549,790	506,015	489,981
Longevity	6,000	6,000	5,700	2,700
Training	3,500	3,500	3,974	755
Uniform allowance	4,810	4,810	3,232	4,021
Employer contributions	116,830	116,830	107,070	97,812
Total personnel services	726,930	726,930	662,876	617,718
Contractual services				
Conferences and meetings	1,100	1,100	349	80
Consulting services	5,000	5,000	-	4,975
Debris dump charges	7,500	7,500	7,355	6,255
Energy	9,100	9,100	11,149	5,719
Employee health insurance	102,490	102,490	91,170	82,138
General liability insurance	30,240	30,240	29,950	29,950
Maintenance office/special equipment	2,500	2,500	2,544	1,973
Maintenance - radio equipment	450	450	334	48
Membership dues	-	-	-	121
Postage	2,800	2,800	600	2,400
Printing and binding	3,300	3,300	2,455	2,550
Rental equipment	2,000	2,000	455	246
Tree maintenance	30,000	30,000	29,988	29,967
Telemetry equipment maintenance	2,500	2,500	1,923	1,650
Miscellaneous contractual	7,500	7,500	1,094	1,000
Total contractual services	206,480	206,480	179,366	169,072
Commodities				
Auto petroleum products	19,400	19,400	13,710	14,498
Books and subscriptions	2,820	2,820	2,606	2,620
Chemicals	6,000	6,000	5,478	5,129
Vehicle maintenance	18,000	18,000	9,228	13,306
Building and grounds maintenance	2,800	2,800	1,460	2,363
Minor tools and equipment	6,500	6,500	3,745	4,803
Miscellaneous operating supplies	4,000	4,000	2,933	2,623
Protective clothing	3,050	3,050	2,937	1,979
Life stations	20,000	20,000	4,520	10,659
Sewer line maintenance	27,000	27,000	27,440	32,507
Total commodities	109,570	109,570	74,057	90,487

(This schedule is continued on the following page.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
SEWERAGE DIVISION (Continued)				
Capital outlay				
Transfer to CERF	\$ 62,799	\$ 62,799	\$ -	\$ -
Subtotal	62,799	62,799	-	-
Less				
Transfer to CERF	(62,799)	(62,799)	-	-
Total capital outlay	-	-	-	-
Other				
General Fund reimbursement	183,812	183,812	183,812	102,300
Total operating expenses excluding depreciation - sewerage division	1,226,792	1,226,792	1,100,111	979,577
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 5,307,090	\$ 5,307,090	\$ 4,874,979	\$ 4,759,059

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

WATERWORKS AND SEWERAGE CAPITAL FUND

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
WATERWORKS DIVISION				
Personnel services				
Overtime	\$ -	\$ -	\$ 2,249	\$ -
Salaries	88,999	88,999	88,999	131,470
Employer contributions	17,155	17,155	17,206	23,590
Total personnel services	106,154	106,154	108,454	155,060
Contractual services				
Advertising and publishing	-	-	-	133
Consulting services	-	-	29,020	5,410
Employee group insurance	13,846	13,846	13,846	12,360
Printing and binding	-	-	43	-
Total contractual services	13,846	13,846	42,909	17,903
Capital outlay				
Water improvements	1,205,000	1,205,000	1,486,655	1,739,002
Less				
Capital assets capitalized	-	-	(1,480,951)	(1,739,002)
Total operating expenses excluding depreciation - waterworks division	1,325,000	1,325,000	157,067	172,963
SEWERAGE DIVISION				
Personnel services				
Overtime	-	-	571	-
Salaries	13,720	13,720	13,720	56,240
Employer contributions	2,645	2,645	2,687	10,090
Total personnel services	16,365	16,365	16,978	66,330
Contractual services				
Consulting services	-	-	14,202	9,600
Employee health insurance	2,135	2,135	2,135	6,240
Total contractual services	2,135	2,135	16,337	15,840
Capital outlay				
Sewer improvements	7,195,288	7,195,288	645,622	723,058
Less				
Capital assets capitalized	-	-	(417,666)	(484,358)
Total operating expenses excluding depreciation - sewerage division	7,213,788	7,213,788	261,271	320,870
TOTAL OPERATING EXPENSES EXCLUDING DEPRECIATION	\$ 8,538,788	\$ 8,538,788	\$ 418,338	\$ 493,833

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

LIABILITY INSURANCE FUND

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET ASSETS - BUDGET AND ACTUAL

For the Year Ended December 31, 2006
(With Comparative Actual)

	2006			
	Original Budget	Final Budget	Actual	2005
OPERATING REVENUES				
Charges for services	\$ 905,000	\$ 905,000	\$ 904,220	\$ 896,440
OPERATING EXPENSES				
Administration				
Safety program	2,500	2,500	-	-
Contractual services				
Consulting services	27,500	27,500	37,954	15,000
Insurance claims administration	38,000	38,000	26,130	35,301
General liability insurance	386,500	386,500	434,486	445,617
Self insurance claims	370,000	370,000	804,180	1,121,993
Total operating expenses	824,500	824,500	1,302,750	1,617,911
OPERATING INCOME (LOSS)	80,500	80,500	(398,530)	(721,471)
NONOPERATING REVENUES				
Investment income	22,455	22,455	38,979	17,238
Miscellaneous	-	-	95	160,395
Total nonoperating revenues	22,455	22,455	39,074	177,633
INCOME (LOSS) BEFORE TRANSFERS	102,955	102,955	(359,456)	(543,838)
TRANSFERS IN (OUT)				
General Fund	-	-	370,000	-
Total transfers in (out)	-	-	370,000	-
CHANGE IN NET ASSETS	\$ 102,955	\$ 102,955	10,544	(543,838)
NET ASSETS, JANUARY 1			152,923	696,761
NET ASSETS, DECEMBER 31			\$ 163,467	\$ 152,923

(See independent auditor's report.)

FIDUCIARY FUNDS

Trust Funds are used to account for assets held by the Village in a trustee capacity.

Pension Trust Funds

Police Pension Fund

This fund accounts for the accumulation of resources used to pay police pension benefits. Resources are provided by member contributions, employer contributions, and interest.

Firefighters' Pension Fund

This fund accounts for the accumulation of resources used to pay firefighters' pension benefits. Resources are provided by member contributions, employer contributions, and interest.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF NET ASSETS

December 31, 2006

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	\$ 2,731,910	\$ 979,027	\$ 3,710,937
Investments at fair value			
U.S. Government and agency obligations	12,024,983	12,652,417	24,677,400
Illinois Metropolitan Investment Pool	193,102	-	193,102
State and local obligations	-	807,828	807,828
Mutual funds	12,851,615	10,540,496	23,392,111
Total investments	25,069,700	24,000,741	49,070,441
Receivables			
Accrued interest	6,459	69,686	76,145
Other	-	309	309
Due from General Fund	6,444	3,413	9,857
Total receivables	12,903	73,408	86,311
Total assets	27,814,513	25,053,176	52,867,689
LIABILITIES			
Accounts payable	-	264	264
Due to General Fund	122	-	122
Total liabilities	122	264	386
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	\$ 27,814,391	\$ 25,052,912	\$ 52,867,303

See accompanying notes to financial statements.

VILLAGE OF WHEELING, ILLINOIS

PENSION TRUST FUNDS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS

For the Year Ended December 31, 2006

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 735,844	\$ 333,032	\$ 1,068,876
Employee	459,682	361,446	821,128
Other			
Miscellaneous	1,000	-	1,000
Donations	-	350	350
Total contributions	1,196,526	694,828	1,891,354
Investment income			
Net appreciation in fair value of investments	1,828,572	1,479,549	3,308,121
Investment income	326,852	445,051	771,903
Total investment income	2,155,424	1,924,600	4,080,024
Less investment expenses	1,400	27,232	28,632
Net investment income	2,154,024	1,897,368	4,051,392
Total additions	3,350,550	2,592,196	5,942,746
DEDUCTIONS			
Benefits	1,148,281	1,146,917	2,295,198
Administrative expenses	11,216	6,167	17,383
Total deductions	1,159,497	1,153,084	2,312,581
NET INCREASE	2,191,053	1,439,112	3,630,165
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS			
January 1	25,623,338	23,613,800	49,237,138
December 31	\$ 27,814,391	\$ 25,052,912	\$ 52,867,303

See accompanying notes to financial statements.

SUPPLEMENTAL FINANCIAL INFORMATION

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 1999A

December 31, 2006

Date of Issue	June 15, 1999
Date of Maturity	December 15, 2009
Authorized Issue	\$3,000,000
Interest Rates	4.25% - 4.35%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 335,000	\$ 44,990	\$ 379,990	2007	\$ 22,495	2007	\$ 22,495
2007	350,000	30,752	380,752	2008	15,376	2008	15,376
2008	365,000	15,878	380,878	2009	7,939	2009	7,939
	<u>\$ 1,050,000</u>	<u>\$ 91,620</u>	<u>\$ 1,141,620</u>		<u>\$ 45,810</u>		<u>\$ 45,810</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 1999B

December 31, 2006

Date of Issue	June 15, 1999
Date of Maturity	December 15, 2009
Authorized Issue	\$1,705,000
Interest Rates	4.25% - 4.35%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 285,000	\$ 35,546	\$ 320,546	2007	\$ 17,773	2007	\$ 17,773
2007	275,000	23,432	298,432	2008	11,716	2008	11,716
2008	270,000	11,744	281,744	2009	5,872	2009	5,872
	<u>\$ 830,000</u>	<u>\$ 70,722</u>	<u>\$ 900,722</u>		<u>\$ 35,361</u>		<u>\$ 35,361</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2001

December 31, 2006

Date of Issue	June 15, 2001
Date of Maturity	December 15, 2011
Authorized Issue	\$3,000,000
Interest Rates	4.25% - 4.45%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 310,000	\$ 73,346	\$ 383,346	2008	\$ 36,673	2008	\$ 36,673
2007	325,000	60,170	385,170	2009	30,085	2009	30,085
2008	340,000	46,358	386,358	2010	23,179	2010	23,179
2009	355,000	31,908	386,908	2011	15,954	2011	15,954
2010	370,000	16,466	386,466	2012	8,233	2012	8,233
	<u>\$ 1,700,000</u>	<u>\$ 228,248</u>	<u>\$ 1,928,248</u>		<u>\$ 114,124</u>		<u>\$ 114,124</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2003

December 31, 2006

Date of Issue	February 1, 2003
Date of Maturity	December 15, 2011
Authorized Issue	\$4,595,000
Interest Rates	1.50% - 3.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 660,000	\$ 33,325	\$ 693,325	2007	\$ 16,663	2007	\$ 16,662
2007	165,000	20,125	185,125	2008	10,063	2008	10,062
2008	175,000	16,000	191,000	2009	8,000	2009	8,000
2009	180,000	11,100	191,100	2010	5,550	2010	5,550
2010	190,000	5,700	195,700	2011	2,850	2011	2,850
	<u>\$ 1,370,000</u>	<u>\$ 86,250</u>	<u>\$ 1,456,250</u>		<u>\$ 43,126</u>		<u>\$ 43,124</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2003A

December 31, 2006

Date of Issue	July 1, 2003
Date of Maturity	December 15, 2018
Authorized Issue	\$2,250,000
Interest Rates	2.250% - 4.00%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 125,000	\$ 62,531	\$ 187,531	2007	\$ 31,265	2007	\$ 31,266
2007	125,000	59,719	184,719	2008	29,859	2008	29,860
2008	125,000	56,750	181,750	2009	28,375	2009	28,375
2009	125,000	53,625	178,625	2010	26,812	2010	26,813
2010	150,000	50,500	200,500	2011	25,250	2011	25,250
2011	150,000	46,000	196,000	2012	23,000	2012	23,000
2012	200,000	41,500	241,500	2013	20,750	2013	20,750
2013	200,000	35,500	235,500	2014	17,750	2014	17,750
2014	200,000	29,200	229,200	2015	14,600	2015	14,600
2015	200,000	22,700	222,700	2016	11,350	2016	11,350
2016	200,000	16,000	216,000	2017	8,000	2017	8,000
2017	200,000	8,000	208,000	2018	4,000	2018	4,000
	<u>\$ 2,000,000</u>	<u>\$ 482,025</u>	<u>\$ 2,482,025</u>		<u>\$ 241,011</u>		<u>\$ 241,014</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2003B

December 31, 2006

Date of Issue	July 10, 2003
Date of Maturity	December 15, 2022
Authorized Issue	\$1,155,475
Interest Rates	2.40% - 4.90%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 44,984	\$ 5,016	\$ 50,000	2007	\$ 2,508	2007	\$ 2,508
2007	64,834	10,166	75,000	2008	5,083	2008	5,083
2008	82,835	17,165	100,000	2009	8,582	2009	8,583
2009	78,698	21,302	100,000	2010	10,651	2010	10,651
2010	74,948	25,052	100,000	2011	12,526	2011	12,526
2011	71,097	28,903	100,000	2012	14,451	2012	14,452
2012	84,407	40,593	125,000	2013	20,297	2013	20,298
2013	79,488	45,512	125,000	2014	22,755	2014	22,755
2014	75,017	49,983	125,000	2015	24,991	2015	24,992
2015	84,710	65,290	150,000	2016	32,644	2016	32,644
2016	80,043	69,957	150,000	2017	34,978	2017	34,979
2017	75,486	74,514	150,000	2018	37,257	2018	37,257
2018	71,049	78,951	150,000	2019	39,475	2019	39,476
2019	66,744	83,256	150,000	2020	41,628	2020	41,628
2020	62,577	87,423	150,000	2021	43,711	2021	43,712
2021	58,557	91,443	150,000	2022	45,721	2022	45,722
					<u>\$ 397,258</u>		<u>\$ 397,266</u>

ACCREDITED VALUE OF BONDS

	Current Capital		
December 31	Bonds	Accretion	Total
2005	\$ -	\$ 48,608	\$ 1,272,308
2006	-	50,598	1,322,906
2007	50,000	52,627	1,325,533
2008	75,000	53,545	1,304,078
2009	100,000	53,690	1,257,768
2010	100,000	52,967	1,210,735
2011	100,000	51,954	1,162,689
2012	100,000	50,725	1,113,414
2013	125,000	49,232	1,037,646
2014	125,000	46,625	959,271
2015	125,000	43,684	877,955
2016	150,000	40,392	768,347
2017	150,000	35,742	654,089
2018	150,000	30,742	534,831
2019	150,000	25,368	410,199
2020	150,000	19,604	279,803
2021	150,000	13,416	143,219
2022	150,000	6,781	

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES 2004A

December 31, 2006

Date of Issue April 15, 2004
Date of Maturity December 15, 2023
Authorized Issue \$8,000,000
Interest Rates 2.70% - 4.70%
Interest Dates June 15 and December 15
Principal Maturity Date December 15
Payable at Cole Taylor Bank
Chicago IL

Current and Future Principal and Interest Requirements

Tax Levy Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 15	Amount	December 15	Amount
2006	\$ 350,000	\$ 328,422	\$ 678,422	2007	\$ 164,211	2007	\$ 164,211
2007	360,000	318,972	678,972	2008	159,486	2008	159,486
2008	375,000	308,172	683,172	2009	154,086	2009	154,086
2009	385,000	295,984	680,984	2010	147,992	2010	147,992
2010	395,000	282,510	677,510	2011	141,255	2011	141,255
2011	410,000	268,290	678,290	2012	134,145	2012	134,145
2012	420,000	252,710	672,710	2013	126,355	2013	126,355
2013	440,000	235,070	675,070	2014	117,535	2014	117,535
2014	455,000	216,590	671,590	2015	108,295	2015	108,295
2015	475,000	197,252	672,252	2016	98,626	2016	98,626
2016	490,000	177,064	667,064	2017	88,532	2017	88,532
2017	515,000	156,240	671,240	2018	78,120	2018	78,120
2018	535,000	134,096	669,096	2019	67,048	2019	67,048
2019	560,000	110,556	670,556	2020	55,278	2020	55,278
2020	585,000	85,356	670,356	2021	42,678	2021	42,678
2021	610,000	58,446	668,446	2022	29,223	2022	29,223
2022	640,000	30,080	670,080	2023	15,040	2023	15,040
	<u>\$ 8,000,000</u>	<u>\$ 3,455,810</u>	<u>\$ 11,455,810</u>		<u>\$ 1,727,905</u>		<u>\$ 1,727,905</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION SALES TAX BOND SERIES 2005

December 31, 2006

Date of Issue	September 1, 2005
Date of Maturity	December 1, 2024
Authorized Issue	\$5,140,000
Interest Rates	4.00% - 4.25%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Cole Taylor Bank Chicago IL

Current and Future Principal and Interest Requirements

Fiscal Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	June 1	Amount	December 1	Amount
2007	\$ -	\$ 208,594	\$ 208,594	2007	\$ 104,297	2007	\$ 104,297
2008	210,000	208,594	418,594	2008	104,297	2008	104,297
2009	215,000	200,194	415,194	2009	100,097	2009	100,097
2010	225,000	191,594	416,594	2010	95,797	2010	95,797
2011	235,000	182,594	417,594	2011	91,297	2011	91,297
2012	250,000	173,194	423,194	2012	86,597	2012	86,597
2013	260,000	163,194	423,194	2013	81,597	2013	81,597
2014	270,000	152,794	422,794	2014	76,397	2014	76,397
2015	285,000	141,994	426,994	2015	70,997	2015	70,997
2016	295,000	130,594	425,594	2016	65,297	2016	65,297
2017	310,000	118,794	428,794	2017	59,397	2017	59,397
2018	325,000	106,394	431,394	2018	53,197	2018	53,197
2019	335,000	93,394	428,394	2019	46,697	2019	46,697
2020	350,000	79,994	429,994	2020	39,997	2020	39,997
2021	370,000	65,994	435,994	2021	32,997	2021	32,997
2022	385,000	50,731	435,731	2022	25,366	2022	25,365
2023	400,000	34,850	434,850	2023	17,425	2023	17,425
2024	420,000	17,850	437,850	2024	8,925	2024	8,925
	<u>\$ 5,140,000</u>	<u>\$ 2,321,341</u>	<u>\$ 7,461,341</u>		<u>\$ 1,160,671</u>		<u>\$ 1,160,670</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
TAX INCREMENT REVENUE BOND SERIES 2005

December 31, 2006

Date of Issue August 25, 2005
Date of Maturity January 1, 2025
Authorized Issue \$19,000,000
Interest Rates 6.00%
Interest Dates January 1 and July 1
Principal Maturity Date January 1
Payable at Cole Taylor Bank
Chicago IL

Current and Future Principal and Interest Requirements

Fiscal Year	Tax Levy			Interest Due On			
	Principal	Interest	Totals	January 1	Amount	July 1	Amount
2007	\$ -	\$ 1,140,000	\$ 1,140,000	2007	\$ 570,000	2007	\$ 570,000
2008	-	1,140,000	1,140,000	2008	570,000	2008	570,000
2009	-	1,140,000	1,140,000	2009	570,000	2009	570,000
2010	255,000	1,132,350	1,387,350	2010	570,000	2010	562,350
2011	445,000	1,111,350	1,556,350	2011	562,350	2011	549,000
2012	600,000	1,080,000	1,680,000	2012	549,000	2012	531,000
2013	710,000	1,040,700	1,750,700	2013	531,000	2013	509,700
2014	780,000	996,000	1,776,000	2014	509,700	2014	486,300
2015	865,000	946,650	1,811,650	2015	486,300	2015	460,350
2016	970,000	891,600	1,861,600	2016	460,350	2016	431,250
2017	1,060,000	830,700	1,890,700	2017	431,250	2017	399,450
2018	1,185,000	763,350	1,948,350	2018	399,450	2018	363,900
2019	1,295,000	688,950	1,983,950	2019	363,900	2019	325,050
2020	1,410,000	607,800	2,017,800	2020	325,050	2020	282,750
2021	1,545,000	519,150	2,064,150	2021	282,750	2021	236,400
2022	1,690,000	422,100	2,112,100	2022	236,400	2022	185,700
2023	1,830,000	316,500	2,146,500	2023	185,700	2023	130,800
2024	2,050,000	200,100	2,250,100	2024	130,800	2024	69,300
2025	2,310,000	69,300	2,379,300	2025	69,300		
	<u>\$ 19,000,000</u>	<u>\$ 15,036,600</u>	<u>\$ 34,036,600</u>		<u>\$ 7,803,300</u>		<u>\$ 7,233,300</u>

(See independent auditor's report.)

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

December 31, 2006

Insured	Description of Coverage	Amount of Coverage	Expiration Date of Policy
Village of Wheeling	Property	\$50,000 property self-insured retention	12/31/2006
	Mobile Equipment	\$100,000 liability self-insured retention	
	Auto Physical Damage	\$950,000 loss limit	
	Flood and Earthquake (Lloyds of London)	\$1,000 deductible	
Village of Wheeling	Excess Property (Travelers Insurance)	\$41,000,000 per occurrence	12/31/2006
Village of Wheeling	Excess General/Auto Liability (Clarendon America & Essex Insurance Companies)	\$9,000,000 per occurrence	12/31/2006
Village of Wheeling	Workers Compensation (Safety National)	\$400,000 per occurrence \$800,058 aggregate Statutory loss limit per occurrence	12/31/2006
Village of Wheeling	Crime - Employee Dishonesty (Hartford/Travelers Insurance)	\$25,000 deductible \$5,000,000 loss limit	12/31/2006
Village of Wheeling	Boiler & Machinery (Travelers Insurance)	\$1,000 deductible \$50,000,000 loss limit	12/31/2006

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Wheeling, Illinois' statistical comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	123-127
Revenue Capacity	
These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax.	128-133
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	134-138
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	139
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	140-141

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The Village of Wheeling, Illinois implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

VILLAGE OF WHEELING, ILLINOIS

NET ASSETS BY COMPONENT

Last Four Fiscal Years

	2003	2004	2005	2006
GOVERNMENTAL ACTIVITIES				
Invested in capital assets, net of related debt	\$ 28,543,534	\$ 32,484,495	\$ 34,964,527	\$ 38,279,976
Restricted	10,291,528	22,610,652	22,930,347	20,192,016
Unrestricted	27,014,782	14,834,556	(11,793,666)	(9,996,054)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 65,849,844	\$ 69,929,703	\$ 46,101,208	\$ 48,475,938
BUSINESS-TYPE ACTIVITIES				
Invested in capital assets, net of related debt	\$ 70,888,301	\$ 71,768,341	\$ 33,371,623	\$ 35,710,919
Restricted	-	-	-	-
Unrestricted	11,647,200	14,760,149	57,635,307	59,865,026
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 82,535,501	\$ 86,528,490	\$ 91,006,930	\$ 95,575,945
PRIMARY GOVERNMENT				
Invested in capital assets, net of related debt	\$ 99,431,835	\$ 104,252,836	\$ 68,336,150	\$ 73,990,895
Restricted	10,291,528	22,610,652	22,930,347	20,192,016
Unrestricted	38,661,982	29,594,705	45,841,641	49,868,972
TOTAL PRIMARY GOVERNMENT	\$ 148,385,345	\$ 156,458,193	\$ 137,108,138	\$ 144,051,883

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET ASSETS

Last Four Fiscal Years

	2003*	2004	2005	2006
EXPENSES				
Governmental Activities				
General government	\$ 6,580,632	\$ 9,314,779	\$ 36,362,855	\$ 16,646,480
Public safety	9,800,136	14,902,595	16,653,729	17,420,259
Highways and streets	2,433,207	2,873,423	3,538,506	3,371,315
Interest and fees	391,060	596,708	1,121,528	1,986,097
Total governmental activities expenses	19,205,035	27,687,505	57,676,618	39,424,151
BUSINESS-TYPE ACTIVITIES				
Water and sewer	3,815,158	6,348,615	6,470,907	6,265,342
Total business-type activities expenses	3,815,158	6,348,615	6,470,907	6,265,342
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 23,020,193	\$ 34,036,120	\$ 64,147,525	\$ 45,689,493
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,238,366	\$ 1,622,621	\$ 1,637,061	\$ 2,372,907
Public safety	704,442	1,202,261	1,282,589	1,315,490
Highways and streets	94,179	115,564	127,553	378,991
Operating grants and contributions	764,775	1,083,257	1,273,702	1,140,286
Capital grants and contributions	75,939	185,513	283,567	523,929
Total governmental activities program revenues	2,877,701	4,209,216	4,604,472	5,731,603
Business-Type Activities				
Charges for services				
Water and sewer	4,243,618	7,209,002	10,727,061	9,663,094
Total business-type activities program revenues	4,243,618	7,209,002	10,727,061	9,663,094
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 7,121,319	\$ 11,418,218	\$ 15,331,533	\$ 15,394,697
NET (EXPENSES) REVENUES				
Governmental activities	\$ (16,327,334)	\$ (23,478,289)	\$ (53,072,146)	\$ (33,692,548)
Business-type activities	428,460	860,387	4,256,154	3,397,752
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES	\$ (15,898,874)	\$ (22,617,902)	\$ (48,815,992)	\$ (30,294,796)

VILLAGE OF WHEELING, ILLINOIS

CHANGE IN NET ASSETS (Continued)

Last Four Fiscal Years

	2003*	2004	2005	2006
GENERAL REVENUES AND OTHER				
CHANGES IN NET ASSETS				
Governmental Activities				
Taxes				
Property	\$ 9,759,823	\$ 9,952,437	\$ 12,713,681	\$ 14,028,604
Sales	5,115,393	7,508,220	7,770,204	10,395,445
Other	4,265,920	6,930,374	7,487,039	8,395,952
Investment earnings	488,510	719,220	612,727	1,502,072
Miscellaneous	229,400	1,002,520	831,464	590,224
Contributions	-	1,539,906	-	1,228,782
Transfers	423,114	(483,480)	(60,232)	-
Total governmental activities	20,282,160	27,169,197	29,354,883	36,141,079
Business-Type Activities				
Investment earnings	36,851	86,953	118,877	309,791
Income from joint venture	4,864,545	1,913,366	-	-
Miscellaneous	6,270	44,965	56,076	-
Contributions	714,130	636,401	-	-
Transfers	(423,114)	483,480	60,232	861,472
Total business-type activities	5,198,682	3,165,165	235,185	1,171,263
TOTAL PRIMARY GOVERNMENT	\$ 25,480,842	\$ 30,334,362	\$ 29,590,068	\$ 37,312,342
CHANGE IN NET ASSETS				
Governmental activities	\$ 3,954,826	\$ 3,690,908	\$ (23,717,263)	\$ 2,448,531
Business-type activities	5,627,142	4,025,552	4,491,339	4,569,015
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET ASSETS	\$ 9,581,968	\$ 7,716,460	\$ (19,225,924)	\$ 7,017,546

* Information is for the eight months ended December 31, 2003.

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2005	2004	2003	2002*	2001	2000	1999	1998	1997
GENERAL FUND										
Reserved	\$ 770,103	\$ 727,988	\$ 590,310	\$ 690,440	\$ 2,764,674	\$ 2,379,814	\$ 2,382,669	\$ 2,708,421	\$ 2,363,398	\$ 1,327,969
Unreserved	15,452,128	13,462,781	14,753,238	15,855,369	13,958,170	14,546,698	13,198,566	12,147,137	9,587,873	6,794,002
TOTAL GENERAL FUND	\$ 16,222,231	\$ 14,190,769	\$ 15,343,548	\$ 16,545,809	\$ 16,722,844	\$ 16,926,512	\$ 15,581,235	\$ 14,855,558	\$ 11,951,271	\$ 8,121,971
ALL OTHER GOVERNMENTAL FUNDS										
Reserved	\$ 20,193,276	\$ 22,930,347	\$ 23,341,663	\$ 4,254,943	\$ 1,876,326	\$ 1,427,885	\$ 1,141,453	\$ 1,315,942	\$ 3,165,991	\$ 3,077,201
Unreserved, reported in										
Special Revenue Funds	(1,260)	-	-	1,170,519	3,530,085	2,939,729	2,580,479	3,248,890	4,174,997	3,545,403
Capital Project Funds	3,823,167	4,003,921	3,048,009	13,869,183	16,405,104	14,131,936	14,441,719	13,337,872	11,967,923	12,330,671
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 24,015,183	\$ 26,934,268	\$ 26,389,672	\$ 19,294,645	\$ 21,811,515	\$ 18,499,550	\$ 18,163,651	\$ 17,902,704	\$ 19,308,911	\$ 18,953,275

* The Village changed its year end to December 31 in 2003. The information for 1996-2002 is as of April 30.

Data Source

Audited Financial Statements

VILLAGE OF WHEELING, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
REVENUES										
Taxes	\$ 28,855,592	\$ 24,595,106	\$ 21,450,586	\$ 17,342,866	\$ 16,674,285	\$ 16,565,804	\$ 15,016,822	\$ 14,473,155	\$ 14,825,191	\$ 11,466,463
Licenses and permits	913,665	408,730	426,435	406,303	412,161	370,168	372,175	282,252	290,586	323,439
Intergovernmental	5,460,811	4,773,865	4,002,829	2,537,789	6,618,787	4,264,098	3,781,944	3,928,807	3,499,568	3,979,941
Fines and forfeitures	2,308,620	1,759,129	318,417	1,166,263	2,251,261	2,147,549	2,091,575	1,926,575	1,906,532	1,510,150
Charges for services	377,745	392,758	1,757,413	179,449	244,055	257,121	216,350	200,439	238,620	206,820
Investment income	1,502,072	612,727	719,220	488,510	1,443,352	2,357,104	1,533,346	1,468,873	1,410,694	1,378,648
Miscellaneous	1,225,395	1,477,272	1,647,087	518,535	901,278	1,213,210	1,081,885	1,177,096	788,490	791,765
TOTAL REVENUES	40,643,900	34,019,587	30,321,987	22,639,715	28,545,179	27,175,054	24,094,097	23,457,197	22,959,681	19,657,226
EXPENDITURES										
General government	9,501,709	9,351,086	8,297,060	5,867,977	8,865,478	7,603,762	6,800,518	5,413,889	4,856,580	4,954,525
Public safety	16,954,892	15,917,000	14,511,462	9,360,757	12,035,832	10,852,117	10,296,273	9,225,117	8,646,025	8,330,296
Highways and streets	2,227,587	987,850	860,994	634,308	2,541,338	2,716,456	3,009,601	3,095,480	1,776,309	1,778,055
Capital outlay	8,328,521	29,755,245	6,597,684	2,922,801	3,566,415	2,778,690	4,667,699	2,832,669	2,377,839	6,176,487
Debt service										
Principal	1,880,000	1,815,000	1,750,000	1,960,000	1,465,000	1,320,000	1,058,522	1,025,000	830,000	4,790,000
Interest	1,721,895	860,974	311,402	408,528	620,906	754,572	612,607	639,105	759,934	770,306
TOTAL EXPENDITURES	40,614,604	58,687,155	32,328,602	21,154,371	29,094,969	26,025,597	26,445,220	22,231,260	19,246,687	26,799,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	29,296	(24,667,568)	(2,006,615)	1,485,344	(549,790)	1,149,457	(2,351,123)	1,225,937	3,712,994	(7,142,443)
OTHER FINANCING SOURCES (USES)										
Transfers in	3,720,499	5,678,677	1,179,720	2,811,299	1,611,322	1,805,579	1,678,076	1,495,467	1,407,120	939,782
Transfers out	(4,090,499)	(5,738,909)	(1,663,200)	(2,388,185)	(1,239,829)	(1,273,860)	(1,316,282)	(1,123,324)	(1,035,178)	(573,774)
Bonds issued	-	24,140,000	8,000,000	1,155,475	3,015,626	-	3,363,876	-	-	5,972,425
Discount on bonds issued	-	(39,999)	(49,860)	(67,696)	-	-	-	-	-	-
Loss on disposal of land held for resale	(578,212)	-	-	-	-	-	-	-	-	-
Sale of capital assets	31,293	19,616	25,614	102,749	-	-	-	-	-	5,417
Total other financing sources (uses)	(916,919)	24,059,385	7,492,274	1,613,642	3,387,119	531,719	3,725,670	372,143	371,942	6,343,850
NET CHANGE IN FUND BALANCES	\$ (887,623)	\$ (608,183)	\$ 5,485,659	\$ 3,098,986	\$ 2,837,329	\$ 1,681,176	\$ 1,374,547	\$ 1,598,080	\$ 4,084,936	\$ (798,593)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	11.16%	9.25%	8.01%	12.99%	8.17%	8.92%	7.67%	8.58%	9.43%	26.96%

* The Village changed its year end to December 31 in 2003. The information for 1996-2002 is for the year ended April 30.

[Data Source](#)

VILLAGE OF WHEELING, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
1997	\$ 1,059,439,425	\$ 1,012,387,050	\$ 11,627,446	\$ 3,476,994	\$ 2,079,976,927	0.824	\$ 6,239,930,781	33.333%
1998	1,082,357,930	1,023,157,111	29,709,834	7,608,994	2,127,615,881	0.776	6,382,847,643	33.333%
1999	1,089,584,000	1,026,068,111	39,058,159	11,425,544	2,143,284,726	0.850	6,429,854,178	33.333%
2000	1,105,641,768	1,033,346,111	44,135,161	22,730,444	2,160,392,596	0.867	6,481,177,788	33.333%
2001	1,119,740,387	1,039,211,711	45,054,102	23,579,455	2,180,426,745	0.842	6,541,280,235	33.333%
2002	1,137,426,332	1,045,217,211	63,705,743	32,187,049	2,214,162,237	0.798	6,642,486,711	33.333%
2003	1,152,707,332	1,045,972,211	78,141,946	37,396,799	2,239,424,690	0.837	6,718,274,070	33.333%
2004	1,158,227,505	1,050,366,211	88,147,197	37,852,038	2,258,888,875	0.758	6,776,666,625	33.333%
2005	1,174,652,278	1,056,076,817	96,315,747	38,154,715	2,288,890,127	0.737	6,866,670,381	33.333%
2006	1,187,439,110	1,114,717,130	107,427,140	44,080,601	2,365,502,779	N/A	7,096,508,337	33.333%

Data Source

Office of the County Clerk

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Overlapping Rates (a)										
	General	Bonds and Interest	Police Pension	Fire Pension	Total Direct Tax Rate (**)	Cook County	Forest Preserve District	T.B. Sanitarium	Wheeling Township	Water Reclamation District	Northwest Mosquito Abatement	High School District 214	Harper College District 512	Wheeling Park District	Indial Trails Public Library	Wheeling C C School District 21
1996	0.6810	0.1200	0.0300	-	0.8310	0.9900	0.0700	0.0100	0.1000	0.4900	0.0100	2.1900	0.2800	0.5500	0.3000	3.1400
1997	0.6739	0.1200	0.0317	-	0.8256	0.9200	0.0700	0.0100	0.1100	0.4500	0.0100	2.2800	0.2900	0.6200	0.3100	3.2300
1998	0.6402	0.1101	0.0248	-	0.7751	0.9100	0.0700	0.0100	0.1000	0.4400	0.0100	2.2000	0.2800	0.6000	0.3000	3.1100
1999	0.6687	0.1564	0.0240	-	0.8491	0.8500	0.0700	0.0100	0.0900	0.4200	0.0100	2.1800	0.2700	0.5900	0.3000	3.0800
2000	0.6797	0.1571	0.0302	-	0.8670	0.8200	0.0700	0.0100	0.0700	0.4200	0.0100	2.2600	0.3500	0.6000	0.3000	3.2000
2001	0.6311	0.1793	0.0316	-	0.8420	0.7500	0.0700	0.0100	0.0300	0.4000	0.0100	1.9900	0.3100	0.5400	0.2800	2.8900
2002	0.5960	0.1690	0.0323	-	0.7973	0.6900	0.0600	0.0100	0.0600	0.3700	0.0100	1.8900	0.3000	0.5200	0.3000	3.2700
2003	0.6206	0.1765	0.0395	-	0.8366	0.6300	0.0600	-	0.0500	0.3600	0.0100	1.9800	0.3100	0.5600	0.3400	3.5800
2004	0.5305	0.1450	0.0625	0.0194	0.7575	0.5900	0.0600	-	0.0400	0.3500	0.0100	1.8200	0.2800	0.5200	0.3200	3.2600
2005	0.5055	0.1379	0.0646	0.0284	0.7365	0.5330	0.0600	0.0050	0.0410	0.3150	0.0090	1.7590	0.2810	0.5120	0.3120	3.3940

Data Source

Office of the County Clerk

Note: The Village basic property tax rate may be increased only by a majority vote of the Village's residents. Rates for debt service are set based on each year's requirements.

VILLAGE OF WHEELING, ILLINOIS
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	2005			1996		
		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Wal-Mart Stores Inc.	Retail & Wholesale Discount Stores	\$ 19,880,725	1	1.70%	\$ 11,708,659	2	1.69%
C Cusick USGI INCC	Woodland Creek Apartments	18,222,445	2	1.56%	14,272,217	1	2.06%
Allstate Insurance Co	Real Estate Holdings	17,230,620	3	1.48%	7,400,505	5	1.07%
Capstone Realty	Arlington Club/Village Green Apartments	14,803,391	4	1.27%	5,590,792	8	0.81%
Shorewood Management	Mallard Lake Apartments	12,124,515	5	1.04%	8,981,303	3	1.30%
Foxboro Apartments	Real Estate Holdings	10,362,361	6	0.89%			
Durable Inc	Industrial	8,985,070	7	0.77%			
N Mutual Life Ins	VIP Apartments	8,478,814	8	0.73%			
Valerie Laborivitch	Westin Hotel Properties	8,170,923	9	0.70%			
D & D Management	Commercial Buildings	8,034,763	10	0.69%			
ACCO International	Office Products Manufacturing				8,159,322	4	1.18%
Wickes Furniture	Retail Store, Warehouse				5,933,775	6	0.86%
Moen Incorporated	Industrial				5,809,588	7	0.84%
Pine Hill/Reily Mtg.	Real Estate Holdings				5,447,274	9	0.79%
American Real Estate	Real Estate Holdings				5,302,021	10	0.77%
		<u>\$ 126,293,627</u>		<u>10.83%</u>	<u>\$ 73,303,435</u>		<u>10.60%</u>

NOTE:

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1996	\$	5,721,595	\$ 5,636,837	98.52%	-	\$ 5,636,837	98.52%
1997		5,791,263	5,666,291	97.84%	-	5,666,291	97.84%
1998		5,820,952	5,693,445	97.81%	-	5,693,445	97.81%
1999		6,611,900	6,433,553	97.30%	-	6,433,553	97.30%
2000		6,766,232	6,481,569	95.79%	-	6,481,569	95.79%
2001		7,580,477	7,422,288	97.91%	-	7,422,288	97.91%
2002		7,600,914	7,421,500	97.64%	36,549	7,458,049	98.12%
2003		7,809,463	7,300,117	93.48%	230,687	7,530,804	96.43%
2004		8,344,130	8,154,484	97.73%	67,306	8,221,790	98.53%
2005		8,589,472	8,327,128	96.95%	74,028	8,401,156	97.81%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF WHEELING, ILLINOIS

MUNICIPAL SALES TAX RECEIPTS BY CATEGORY*

As of December 31

Fiscal Year	2002	2003	2004	2005
General merchandise	\$ 1,485,035	\$ 1,422,425	\$ 1,419,580	\$ 1,342,665
Food	453,001	551,967	549,384	549,085
Drinking and eating places	1,000,569	974,036	1,103,403	1,066,168
Apparel	12,466	12,497	13,701	14,730
Furniture & H.H. & Radio	339,586	344,420	328,956	354,842
Lumber, building hardware	178,676	232,135	237,653	394,147
Automobile and filling stations	719,456	585,422	587,033	649,795
Drugs and miscellaneous retail	494,486	555,071	668,512	661,554
Agriculture and all others	1,667,212	1,551,711	1,583,345	1,661,990
Manufacturers	714,892	687,605	656,612	672,161
TOTAL**	\$ 7,065,379	\$ 6,917,289	\$ 7,148,179	\$ 7,367,137
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%
VILLAGE HOME RULE SALES TAX RATE***	0.75%	0.75%	0.75%	0.75%

* Includes the Cook & Lake County Portions of Wheeling

** Totals Do Not Tie to Financial Statements Due to Confidentiality Agreements with Certain Taxpayers

***The Municipal Home Rule Sales Tax Rate Does Not Apply to Qualifying Food, Drugs & Medical Appliances

Data Source

Illinois Department of Revenue
Village Records

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Village Direct Rate</u>	<u>State Rate</u>
1997	0.50%	7.75%
1998	0.50%	7.75%
1999	0.50%	7.75%
2000	0.50%	7.75%
2001	0.50%	7.75%
2002	0.75%	7.75%
2003	0.75%	7.75%
2004	0.75%	7.75%
2005	0.75%	7.75%
2006	1.00%	7.75%

Data Source

Illinois Department of Revenue
Village Records

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Actual Taxable Value(1) of Property	Per Capita (2)
	General Obligation Bonds	Installment Notes Payable	TIF Revenue Bonds	General Obligation Bonds	Installment Notes Payable	Capital Leases			
1997	\$ 14,265,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,265,000	0.23%	467.28
1998	13,435,000	-	-	-	-	-	13,435,000	0.21%	433.81
1999	12,410,000	-	-	-	-	-	12,410,000	0.19%	397.08
2000	14,405,000	-	-	-	-	-	14,405,000	0.22%	459.24
2001	13,085,000	-	-	-	-	-	13,085,000	0.20%	379.32
2002	14,620,000	-	-	1,675,000	-	-	16,295,000	0.25%	472.37
2003	13,200,000	-	-	3,910,000	-	-	17,110,000	0.25%	496.00
2004	17,038,700	-	-	3,635,000	-	-	20,673,700	0.31%	599.31
2005	20,412,308	-	19,000,000	3,235,000	-	-	42,647,308	0.62%	1,106.14
2006	18,582,906	-	19,000,000	2,830,000	-	-	40,412,906	0.57%	1,048.19

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

(1) Assessed value and actual value of taxable property

(2) See the Schedule of Demographic and Economic Statistics on page 142 for personal income and population data.

VILLAGE OF WHEELING, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
1997	\$ 14,265,000	\$ 772,463	\$ 13,492,537	0.22%	\$ 441.97
1998	13,435,000	842,591	12,592,409	0.20%	406.60
1999	12,410,000	874,011	11,535,989	0.18%	369.12
2000	14,405,000	562,352	13,842,648	0.21%	441.31
2001	13,085,000	643,665	12,441,335	0.19%	360.66
2002	14,620,000	742,512	13,877,488	0.21%	402.29
2003	13,200,000	24,278	13,175,722	0.20%	381.95
2004	17,038,700	353,810	16,684,890	0.25%	483.68
2005	20,412,308	41,094	20,371,214	0.30%	528.37
2005	18,582,906	90,537	18,492,369	N/A	479.64

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

* See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page 132 for property value data.

VILLAGE OF WHEELING, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2005

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF WHEELING, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2006

Governmental unit	Gross Debt	Percentage Debt Applicable to the Village of Wheeling (1)	Village of Wheeling Share of Debt
Village of Wheeling	\$ 18,582,906	100.00%	\$ 18,582,906
Cook County, including Forest Preserve	3,123,825,000	0.87%	27,177,278
Metropolitan Water Reclamation District	1,579,401,000	0.89%	14,056,669
Wheeling Park District	9,900,000	95.21%	9,425,790
Prospect Heights Park District	12,198,306	29.74%	3,627,776
River Trails Park District	8,412,295	46.98%	3,952,096
Indian Trails Library	1,825,000	70.66%	1,289,545
Prospect Heights Library District	275,000	58.00%	159,500
Schools			
School District No. 21	59,214,919	55.37%	32,787,301
School District No. 23	1,514,629	45.46%	688,550
High School District No. 214	12,078,195	12.64%	1,526,684
Community College District No. 512	60,910,000	5.79%	3,526,689
	<u>4,869,554,344</u>		<u>98,217,878</u>
	<u>\$ 4,888,137,250</u>		<u>\$ 116,800,784</u>

- (1) Determined by ratio of assessed valuation of property subject to taxation in the Village of Wheeling to valuation of property subject to taxation in overlapping unit.

VILLAGE OF WHEELING, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds						Special Assessment Bonds				
	Water Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
1997	\$ 4,974,313	\$ 4,426,496	\$ 547,817	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1998	5,315,920	4,819,676	496,244	-	-	-	-	-	-	-	
1999	5,579,693	4,839,268	740,425	1,705,000	573,503	0.32	-	-	-	-	
2000	5,653,000	4,122,462	1,530,538	1,705,000	464,404	0.71	-	-	-	-	
2001	5,931,600	4,348,257	1,583,343	1,690,000	391,672	0.76	-	-	-	-	
2002	5,653,025	5,519,799	133,226	1,675,000	319,578	0.07	-	-	-	-	
2003	6,106,071	5,240,521	865,550	3,910,000	962,850	0.18	-	-	-	-	
2004	3,042,456	2,645,271	397,185	3,635,000	837,923	0.09	-	-	-	-	
2005	3,104,951	2,697,548	407,403	3,235,000	665,537	0.10	-	-	-	-	
2006	7,605,279	4,874,979	2,730,300	2,830,000	552,747	0.81	-	-	-	-	

Note: Details of the Village's outstanding debt can be found in the notes to the financial statements.

Water Charges and Other includes investment earnings but not tap on fees.

Operating expenses do not include interest or depreciation.

VILLAGE OF WHEELING, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
1997	30,528	\$ 564,157,440	\$ 18,480	3.3%
1998	30,970	572,325,600	18,480	3.3%
1999	31,253	577,555,440	18,480	3.2%
2000	31,367	783,829,963	24,989	2.8%
2001	34,496	862,020,544	24,989	4.4%
2002	34,496	862,020,544	24,989	5.8%
2003	34,496	862,020,544	24,989	5.6%
2004	34,496	862,020,544	24,989	5.1%
2005	38,555	963,450,895	24,989	4.8%
2006	38,555	963,450,895	24,989	3.6%

Personal income is the largest sole source income type, usually either property or sales tax.

VILLAGE OF WHEELING, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2006			1997		
	Number of Employees	Rank	% of Total Village Population	Number of Employees	Rank	% of Total Village Population
Hospital Laundry Services	525	1	1.36%			
Durable Inc	450	2	1.17%			
Pactive Corp	440	3	1.14%	440	1	1.44%
Bob Chinn's Crabhouse	350	4	0.91%	350	2	1.15%
Wal-Mart	335	5	0.87%	335	3	1.10%
School District 21	330	6	0.86%	330	4	1.08%
Block & Company	320	7	0.83%	320	5	1.05%
Allstate Printing/Dist. Ctr	300	8	0.78%	300	6	0.98%
Segerdahl Corporation	300	8	0.78%	300	6	0.98%
Solo Cup Company	300	8	0.78%	300	6	0.98%
TNT Holland Motor Express, Inc.	300	8	0.78%	300	6	0.98%
Valspar Corp	280	9	0.73%			
Wheeling High School	275	10	0.71%	275	7	0.90%
Accellent Endoscopy Wheeling				270	8	0.88%
Sam's Club #8198				270	8	0.88%
Circuit Service, Inc.				220	9	0.72%
Burrows Company				210	10	0.69%
Crescent Cardboard Co LLC				210	10	0.69%
TOTAL	4,505		11.70%	4,430		14.50%

VILLAGE OF WHEELING, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Management Services			-				4	4	4	5
Human Resources							2	2	2	2
Finance	14	15	16	16	17	17	12	12	11	11
Economic Development			2	2	2	2	2	2	2	-
Senior Services	2	2	2	2	2	2	3	3	3	4
Community Development	14	13	13	15	15	15	18	18	18	18
Public Safety										
Police										
Officers	57	59	59	63	64	64	65	65	67	66
Civilians	24	24	24	25	25	25	25	25	25	27
Fire										
Firefighters and officers	44	44	44	44	45	48	54	54	54	56
Civilians	2	2	2	2	2	2	2	2	2	2
Public Works										
Administration	4	4	4	5	6	6	6	3	4	4
Engineering	3	5	6	6	6	6	10	13	13	13
Building and Vehicle Maintenance	11	11	12	11	10	10	11	11	12	12
Water/Sewer Maintenance	18	19	21	22	22	22	22	22	21	21
Street Maintenance	7	8	9	10	10	10	10	10	10	10
	200	206	214	223	226	229	246	246	248	251

Data Source

Village budget office